S3120-1

COMMONWEALTH OF KENTUCKY

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 1984

Martha Layne Collins
Governor

Gordon Duke
Secretary
Finance and Administration Cabinet

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Commonwealth of Kentucky

FINANCE AND ADMINISTRATION CABINET

Gordon Duke, Secretary

Mitchell H. Payne, Principal Assistant

Cattie Lou Miller, Commissioner,
Department for Administration

Edgar C. Ross, Director, Division of Accounts

The financial report was prepared by the Division of Accounts, Department for Administration, Finance and Administration Cabinet.

The cost of printing was paid from State Funds KRS 57.375

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COMMONWEALTH OF KENTUCKY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 1984

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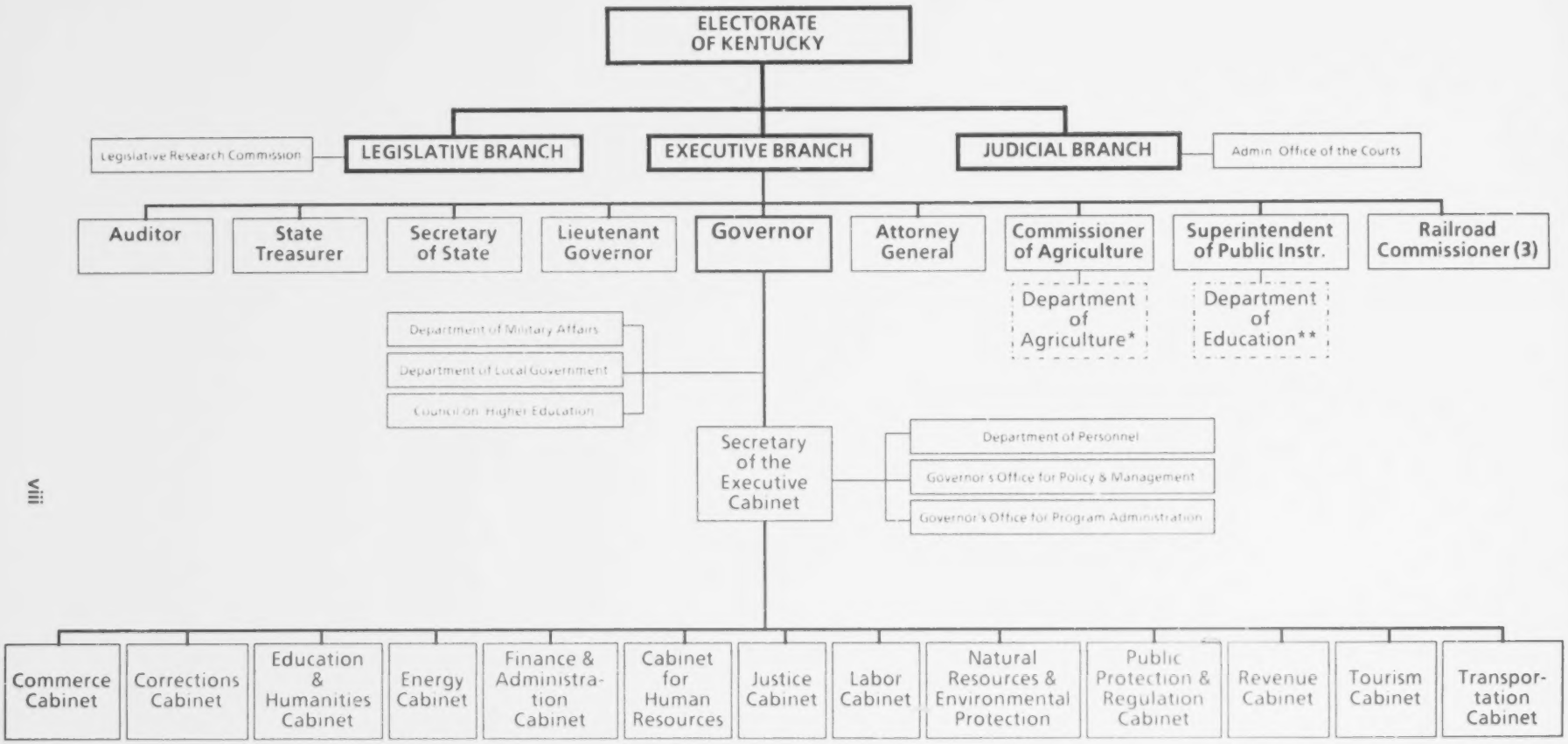
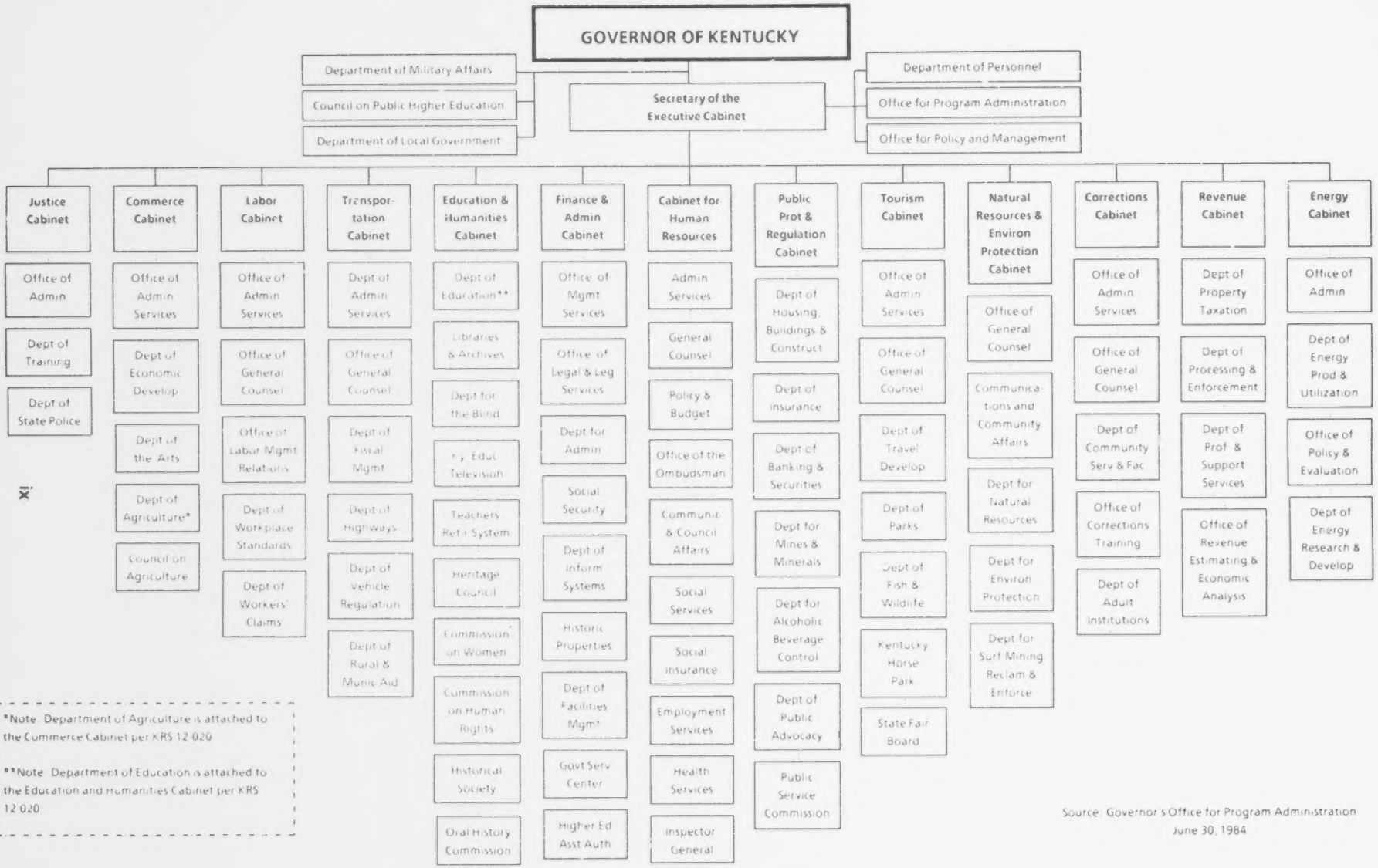
INTRODUCTORY SECTION



NOTE
*Dept. of Agriculture is attached to the Commerce Cabinet per KRS 12.020
** Dept. of Education is attached to the Education Cabinet per KRS 12.020

Source: Governor's Office for Program Administration
June 30, 1984



*Note: Department of Agriculture is attached to the Commerce Cabinet per KRS 12.020

**Note: Department of Education is attached to the Education and Humanities Cabinet per KRS 12.020

Source: Governor's Office for Program Administration
June 30, 1984

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MARTHA LAYNE COLLINS
GOVERNOR

GORDON DUKE
Secretary

COMMONWEALTH OF KENTUCKY
FINANCE AND ADMINISTRATION CABINET
OFFICE OF THE SECRETARY
FRANKFORT, KENTUCKY 40601

April 1, 1985

The Honorable Martha Layne Collins
Governor, Commonwealth of Kentucky
The Capitol
Frankfort, Kentucky 40601

Dear Governor Collins:

The Annual Financial Report of the Commonwealth of Kentucky for the fiscal year ended June 30, 1984, presented herewith, has been prepared using the format and basis of measurement required for compliance with generally accepted accounting principles (GAAP) for state governments. Governmental and similar fund types are reported on the modified accrual basis and proprietary and similar fund types are reported on the accrual basis. Additionally, to clearly distinguish between (a) fund fixed assets and general fixed assets, and (b) fund long-term liabilities and general long-term obligations, both the General Fixed Asset Account Group and the General Long-Term Obligations Account Group are presented.

During fiscal year 1984, the Commonwealth's central accounting records were maintained primarily on the modified cash basis. All state agencies completed closing financial data packages which were used by the Division of Accounts, Department for Administration, to determine the assets, liabilities, and balances of all funds and account groups at year end. By combining this fiscal year 1984 information with similar information for fiscal year 1983, adjustments were recorded to determine June 30, 1984, revenues and expenditures/expenses of all funds and account groups on a GAAP basis.

GAAP presentation properly measures the substance of transactions and events, not merely the receipt and disbursement of cash. Accordingly, the accompanying financial statements disclose favorable conditions, as well as unfavorable situations. For example, the single instance in which a fund balance (deficit) amount existed at June 30, 1984, is shown in the unreserved section of the appropriate balance sheet. Related footnote disclosures explain the circumstances which created the deficit balance.

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While historical costs for fixed assets, particularly land, continue to be incomplete, the presentation of the General Fixed Asset Account Group, to the extent available, is a major advancement in the fair presentation and full disclosure of the Commonwealth's financial position and results of financial operations. This is also indicative of the continuing effort to develop the appropriate accounting records required for improved reporting of fixed assets in future years.

The combined financial statements have been examined by the Office of the Auditor of Public Accounts. Their examination was conducted in accordance with generally accepted auditing standards, and their opinion appears within this report.

General Governmental Functions
(budgetary basis)

The Commonwealth's economy continues to be influenced by national economic conditions. While the improving economy produced an increase in actual General Fund revenue for fiscal year 1984 when compared to fiscal year 1983, revenue estimates for the period were not met. As a result it was necessary in October 1983 to reduce appropriations for fiscal year 1984 by Secretary's Order 84-160. This reduction of appropriations was subsequently ratified by the 1984 General Assembly and passed into law as part of House Bill 474, the appropriations act for the Executive Branch. As a result of these combined efforts, Kentucky was able to carry forward a year-end General Fund balance available for appropriation of $41, 287,003.

General Fund revenue for the year ended June 30, 1984, was $2,365,379,838, an increase of 7% over revenues for fiscal year 1983. Sales tax, the largest source of revenue, produced 37% of General Fund revenue for the second year in a row. Individual income tax produced 30% of General Fund revenue compared to 29% last year. These two taxes accounted for 67% of all General Fund revenues collected. The chart in Figure 1 presents the major revenue sources and the amount each contributed to the General Fund revenue dollar.

General Fund expenditures for the year ended June 30, 1984, were $2,230,710,507. Most of the General Fund dollar was expended for education and humanities, 46%; general government, 24%; and human resources, 17%. General government includes expenditures for the universities in the amount of $406,978,775, or 18% of the General Fund dollar.

No direct comparisons should be made to expenditures for the 1983 fiscal year because of changes in reporting practices. General Fund expenditures increased by $129,865,369, or 6%, while operating transfers out increased by $35,112.324, or 22%. The chart in Figure 2 presents the percentages expended by functional areas.

The governmental funds are those through which most of the Commonwealth's functions are financed. These funds include General, Special Revenue, Debt Service, and Capital Projects funds. Revenues of the governmental funds were $4,528,082,761 for the year ended June 30, 1984. The major sources of revenue for the governmental funds were intergovernmental, 26%; income taxes, 20%; and sales and gross receipt taxes, 19%.

Expenditures of the governmental funds were $4,741,543,112. The four major functional areas of spending were education and humanities, 26%; human resources, 24%; general government, 18%; and transportation, 15%. These four functions expended 83% of the governmental fund dollar.

We cannot compare revenues or expenditures in total for governmental funds with prior years because of the change to the modified accrual basis of accounting. The charts in Figure 3 and Figure 4 present respectively, the revenue sources and functional expenditure areas of the governmental fund dollar.

Debt Administration

The Commonwealth of Kentucky continues to receive AA ratings for General Obligation bonds from both Moody's Investors Service and Standard and Poor's. No General Obligation bonds have been issued since 1965. At June 30, 1984, outstanding General Obligation bonds totaled $206,600,000.

During the fiscal year ended June 30, 1984, the Commonwealth issued $383,150,000 in bonds, which were supported by an appropriation of either the General Fund or the Road Fund. These issues received A ratings. The total amount of outstanding bonds supported by an appropriation of either the General Fund or the Road Fund was $1,434,786,000 at June 30, 1984.

Cash Management

Cash temporarily idle during the year was invested in certificates of deposit with Kentucky banks and obligations of the U. S. government. Investment income from these sources, excluding the pension trust funds, produced revenues of $92,909,443.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Division of Accounts, Finance and Administration Cabinet, and the cooperation of all agencies. I should like to express my appreciation to all members of the Finance and Administration Cabinet who assisted and contributed to its preparation.

Sincerely,

Gordon C. Duke
Secretary

MARTHA LAYNE COLLINS
GOVERNOR

GORDON DUKE
Secretary

CATTIE LOU MILLER
COMMISSIONER

EDGAR C. ROSS
DIRECTOR
DIV OF ACCOUNTS

COMMONWEALTH OF KENTUCKY
FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR ADMINISTRATION
DIVISION OF ACCOUNTS
CAPITOL ANNEX
FRANKFORT, KENTUCKY 40601

April 1, 1985

The Honorable Gordon C. Duke
Secretary
Finance and Administration Cabinet
Frankfort, Kentucky 40601

Dear Secretary Duke:

Pursuant to Section 48.800(3) of the Kentucky Revised Statutes, we present herewith the annual financial report for the fiscal year ended June 30, 1984.

The format and basis of this year's report complies with generally accepted accounting principles (GAAP). Efforts will continue during the current year to collect data on fixed assets which will allow more complete reporting for fiscal year 1985.

Concise, accurate and full disclosure in financial reporting is a prerequisite to effective fiscal management. We hope the information presented will assist legislators, government officials, investors and concerned citizens in their evaluation of the financial condition of the Commonwealth of Kentucky.

Respectfully submitted,

Edgar C. Ross

Edgar C. Ross, Director
Division of Accounts

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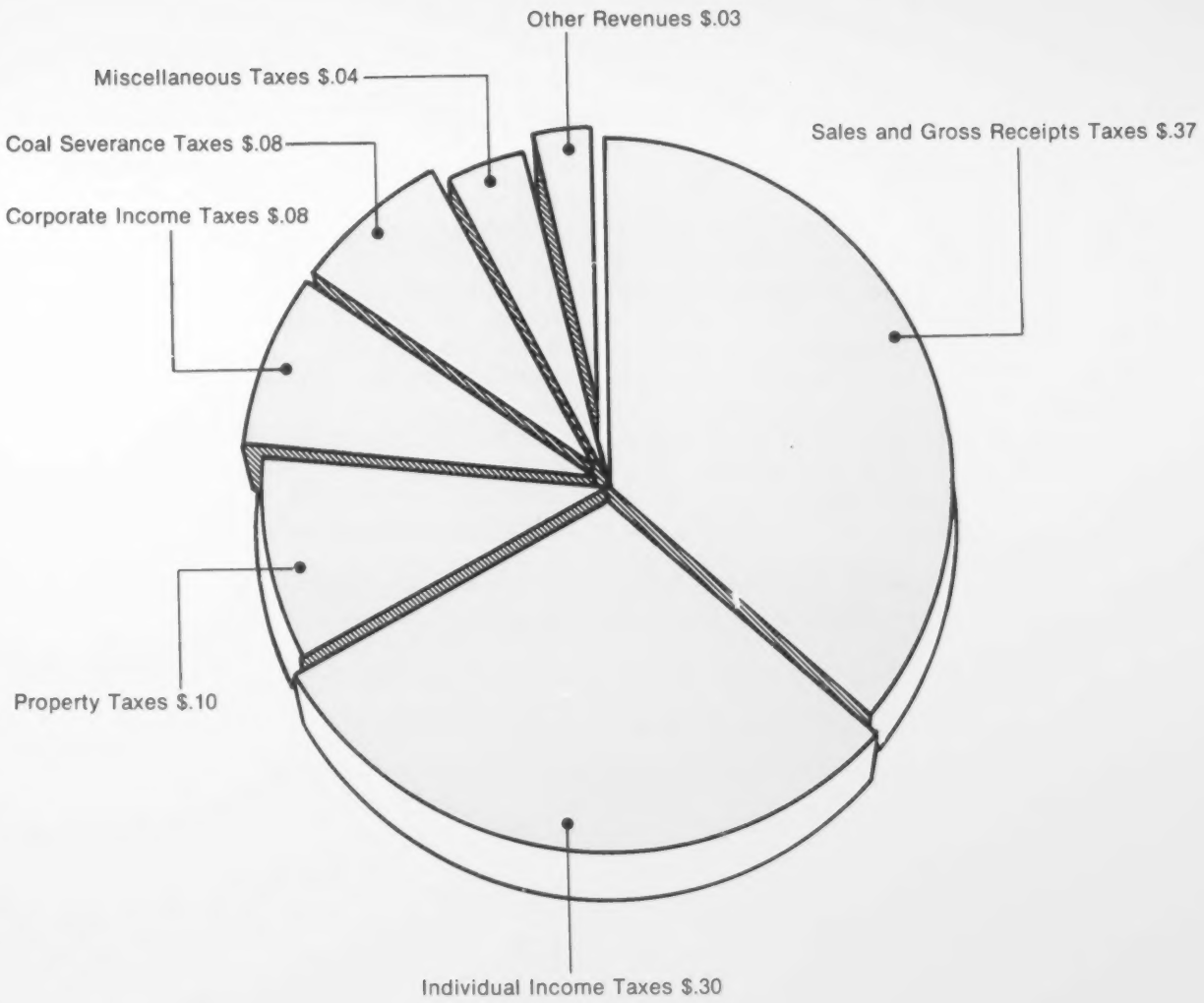
Figure 1

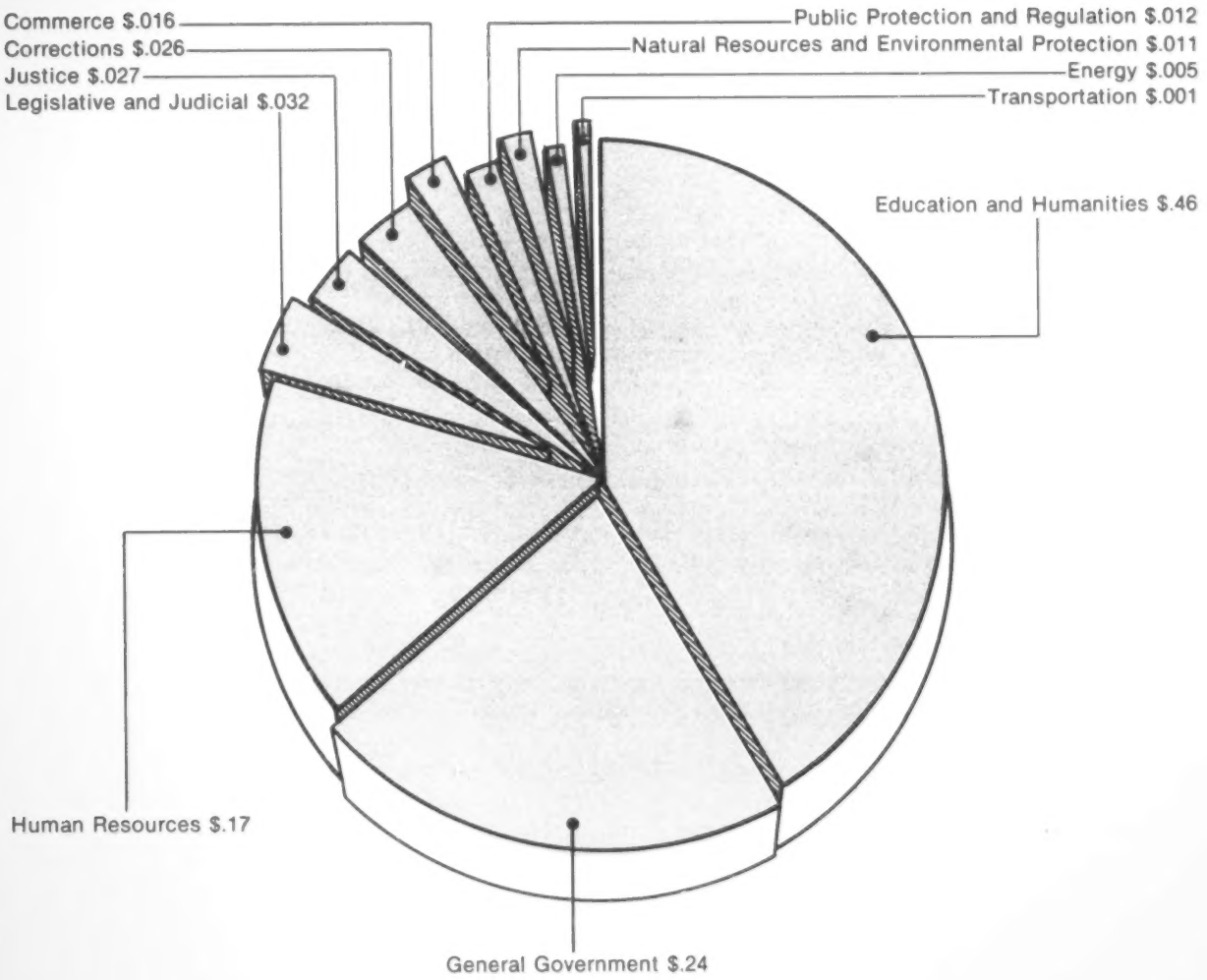
REVENUE DOLLAR
GENERAL FUND
(budgetary basis)
Fiscal Year 1984



Sales and Gross Receipts Taxes	$ .37
Individual Income Taxes	.30
Property Taxes	.10
Corporate Income Taxes	.08
Coal Severance Taxes	.08
Miscellaneous Taxes	.04
Other Revenue	.03
TOTAL	$1.00

Figure 2

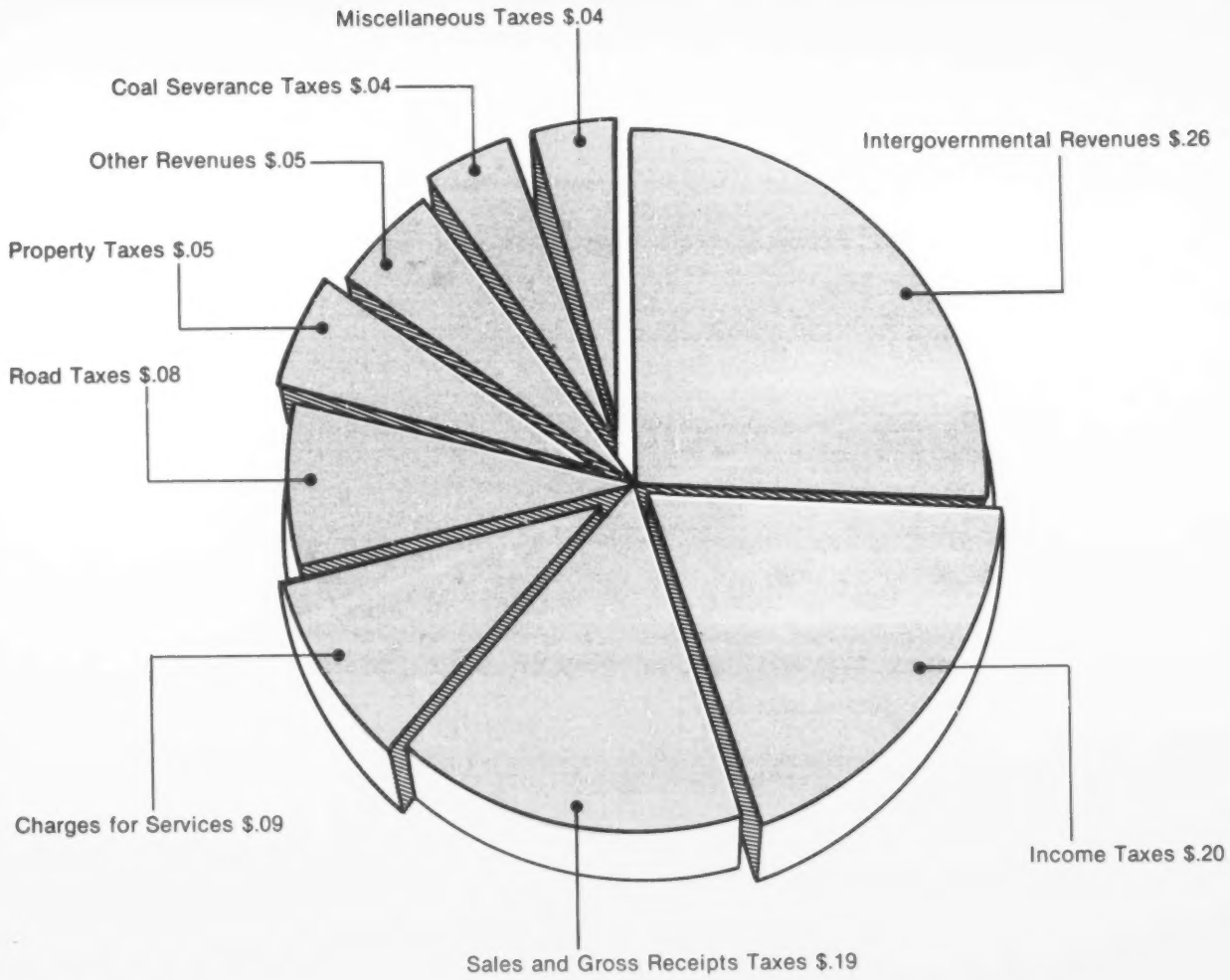
EXPENDITURE DOLLAR
GENERAL FUND
(budgetary basis)
Fiscal Year 1984



Education and Humanities	$ .46
General Government	.24
Human Resources	.17
Legislative and Judicial	.032
Justice	.027
Corrections	.026
Commerce	.016
Public Protection and Regulation	.012
Natural Resources and Environmental Protection	.011
Energy	.055
Transportation	.001
TOTAL	$1.00

Figure 3

REVENUE DOLLAR
GOVERNMENTAL FUNDS*
(budgetary basis)
Fiscal Year 1984



*Governmental Funds
- General Fund
- Debt Service Fund
- Capital Projects Fund
- Transportation Fund
- Federal Fund
- Agency Revenue Fund
- Other Special Revenue Fund

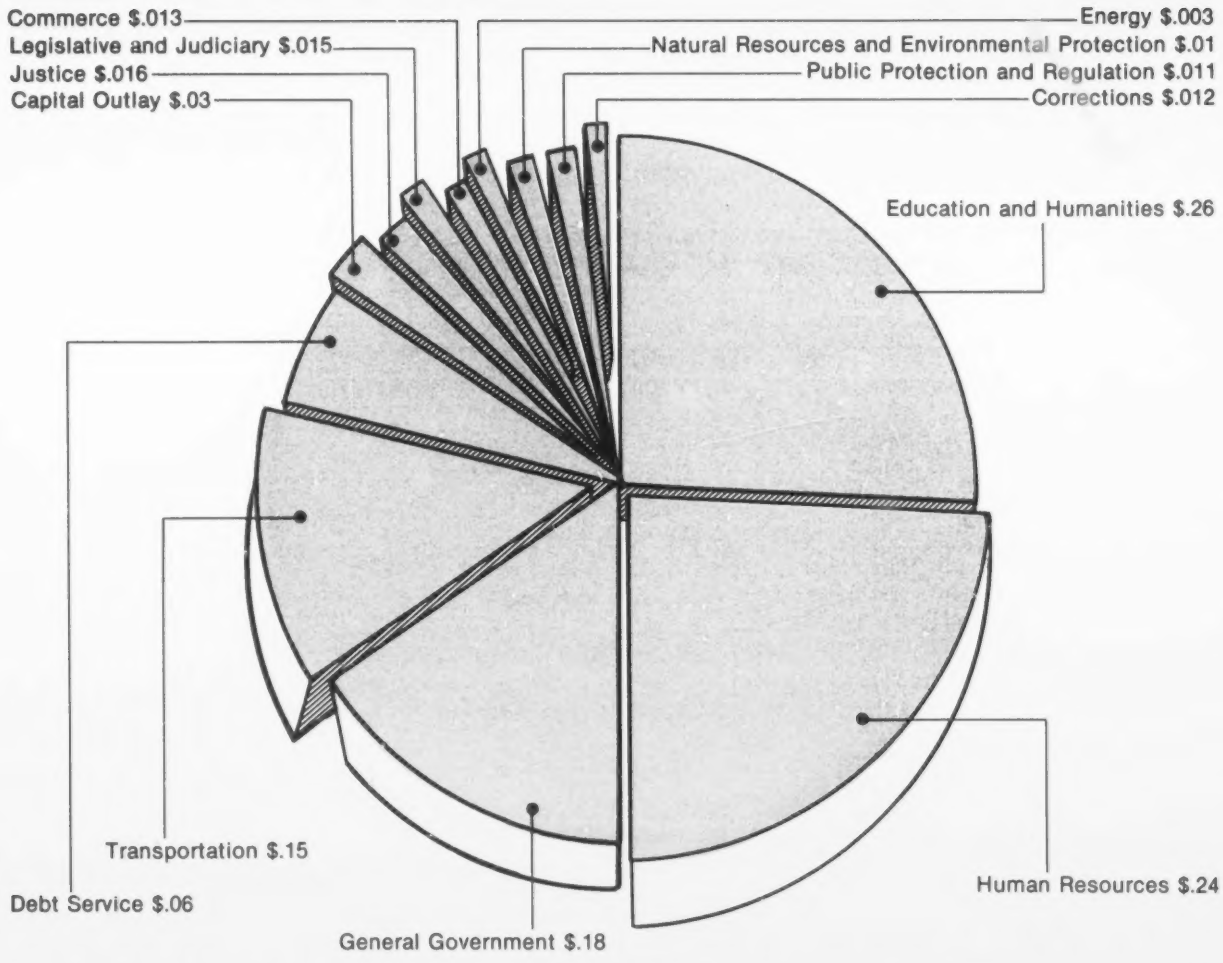
Intergovernmental Revenues	$ .26
Income Taxes	.20
Sales and Gross Receipt Taxes	.19
Charges for Services	.09
Road Taxes	.08
Property Taxes	.05
Other Revenue	.05
Coal Severance Taxes	.04
Miscellaneous Taxes	.04
TOTAL	$1.00

Figure 4

EXPENDITURE DOLLAR GOVERNMENTAL FUNDS*

(budgetary basis)

Fiscal Year 1984



*Governmental Funds
- General Fund
- Debt Service Fund
- Capital Projects Fund
- Transportation Fund
- Federal Fund
- Agency Revenue Fund
- Other Special Revenue Fund

Education and Humanities	$ .26
Human Resources	.24
General Government	.18
Transportation	.15
Debt Service	.06
Capital Outlay	.03
Justice	.016
Legislative and Judiciary	.015
Commerce	.013
Corrections	.012
Public Protection and Regulation	.011
Natural Resources and Environmental Protection	.01
Energy	.003
TOTAL	$1.00

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FINANCIAL SECTION

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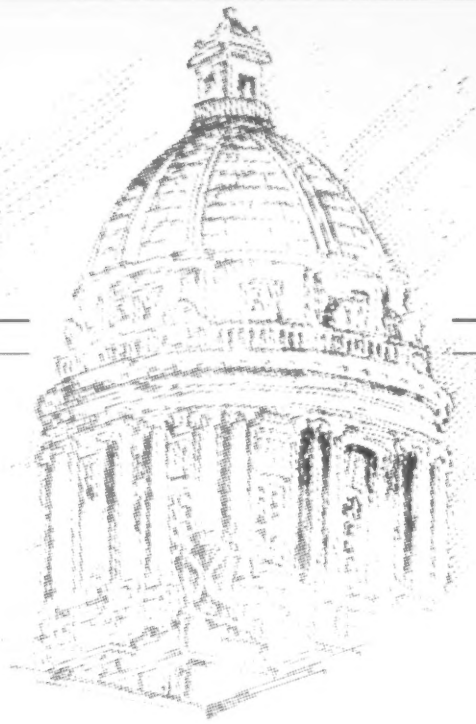
Auditor's Opinion Letter

MARY ANN TOBIN
AUDITOR OF PUBLIC ACCOUNTS
COMMONWEALTH
OF KENTUCKY

Capitol Annex
Suite 168
Frankfort, KY 40601
(502) 564-4226



March 12, 1985

To the People of Kentucky
Honorable Martha Layne Collins, Governor
Mr. Gordon C. Duke, Secretary
Finance and Administration Cabinet

We have examined the combined financial statements of the Commonwealth of Kentucky as of and for the year ended June 30, 1984 as listed in the Table of Contents. Our examination was made in accordance with generally accepted government auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We did not examine the financial statements of certain component entities which reflect total assets of 45, 93, 100, and 91 percent, total revenues of 18, 60, 100, and 54 percent, and total expenditures/expenses of 23, 49, 100, and 43 percent, respectively, of the related combined totals of the Governmental Fund, Proprietary Fund, University and College Fund, and Fiduciary Fund types. These financial statements were examined by other auditors whose reports thereon were furnished to us, and our opinion expressed herein, insofar as it relates to the financial statements included for the component entities referred to above, is based solely upon the reports of other auditors.

In prior years, the Commonwealth maintained its accounting records and prepared its financial statements on the cash basis of accounting. As more fully described in Note 2 to the financial statements, certain adjustments were made effective July 1, 1983 to present the Commonwealth's financial statements for the year ended June 30, 1984 in conformity with generally accepted accounting principles. However, it was not practicable to determine what adjustments would be necessary in the financial statements of the year ended June 30, 1983 to restate them in conformity with generally accepted accounting principles.

The Commonwealth is in the process of establishing appropriate records for fixed assets, including construction in progress. Because of a lack of detail records to support the amounts recorded prior to June 1, 1983, we were unable to satisfy ourselves as to the fixed asset balances in the General Fixed Asset Account Group, Enterprise Funds, or Internal Service Funds as of June 30, 1984. Therefore, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the above named funds.

In our opinion, based on our examination and the reports of other auditors, except for the effects of the matters discussed in the preceding paragraphs, the combined financial statements referred to above present fairly the financial position of the Commonwealth of Kentucky at June 30, 1984, and the results of its operations and the changes in financial positions of its Proprietary Fund types and similar Trust Funds for the year then ended, in conformity with generally accepted accounting principles.

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining and individual fund financial statements included in this report on pages 35 through 85 are a part of the financial statements of the Commonwealth of Kentucky. They have been subjected to the auditing procedures applied in the examination of the combined financial statements. In our opinion, except for the financial statements of the General Fixed Asset Account Group, Enterprise Funds, and Internal Service Funds on which, as explained above, we are not expressing an opinion, the combining and individual fund statements are fairly stated in all material respects in relation to the combined financial statements taken as a whole.

The statistical and economic data presented in this report on pages 89 through 94 were not audited by us, and, accordingly, we do not express an opinion thereon.

Yours for a better Kentucky,

Mary Ann Tobin

Mary Ann Tobin
State Auditor of Public Accounts

COMMONWEALTH OF KENTUCKY
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1984
(EXPRESSED IN THOUSANDS)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets				
Cash and cash equivalents (Note 1)	$ 177,547	$ 910,438	$ 66,220	$ 90,416
Cash with fiscal agents		2,941	61,200	
Cash on deposit with Federal Government				
Tolls in banks		476		
Investments (Note 1)		26,800	80,063	
Accrued investment income				
Receivables net (Note 1)	234,029	181,540	896	16,712
Interfund receivables	502	40,219	36,383	2,232
Inventories	7,599	28,675		
Unamortized issuance cost		10,303		
Restricted assets		775		
Prepaid benefits				
Deferred charges				
Other				
Land				
Buildings and improvements				
Machinery and equipment				
Less accumulated depreciation				
Library books				
Livestock				
Fixed assets				
Construction in progress				
Amounts to be provided in future years for retirement of general long-term obligations				
Total assets, net	$ 419,677	$ 1,202,167	$ 244,762	$ 109,360

Proprietary Fund Types			Fiduciary Fund Types	Account Groups		University & College Fund Types	Totals (Memorandum Only)
Enterprise	Internal Service	Debt Issuing Authorities	Trust and Agency	General Fixed Assets	General Long-term Obligations	University	June 30, 1984
$ 13,495	$ 8,429	$ 37,616	$ 339,756	$	$	$ 195,930	$ 1,839,847
		553	702			4,434	69,830
			10,018				10,018
							476
		234,485	2,729,124			153,882	3,224,354
			47,968				47,968
1,338	372	899,620	115,298			81,439	1,531,244
468	7,691		392			40,951	128,838
2,835	2,355		25			13,767	55,306
							10,303
23							798
			3,752				3,752
266		16,190					16,456
33		116				6,680	6,829
40,504	1,868	1,022				30,833	74,227
121,408	9,424	46				1,008,564	1,139,442
19,814	26,692	90		323,949		214,763	585,308
(56,956)	(17,213)	(69)					(74,238)
						90,204	90,204
						593	593
						9,553	9,553
21						17,964	17,985
					2,137,202		2,137,202
$ 143,299	$ 39,618	$ 1,189,669	$ 3,247,035	$ 323,949	$ 2,137,202	$ 1,869,557	$ 10,926,295

COMMONWEALTH OF KENTUCKY
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1984
(EXPRESSED IN THOUSANDS)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Liabilities and Fund Equity				
Liabilities				
Warrants payable	$ 108,492	$ 100,108	$ 57,162	$ 12,183
Accounts payable	113,614	121,551	36,784	15,878
Interfund payables (Note 1)	6,529	79,082		89
Deposits and advance payments				
Deferred revenue	55,543	55,842		
Lease-purchase agreements				
Notes payable (Note 10)				
Bonds payable (Note 10)				
Amounts held in custody for others				
Other liabilities		313	7,252	
Total liabilities	284,178	356,896	101,198	28,150
Fund Equity				
Investment in fixed assets				
Contributed capital				
Retained earnings:				
Unreserved				
Fund balance (Note 1)				
Reserved for:				
Encumbrances		22,272		32,201
Continued appropriations	5,920	13,758		
Revenue bond retirement		1,000	56,778	
Loans		5,328		
Investments		7,711		
Inventories	7,599	28,675		
Employee retirement systems				
Deferred compensation				
Compensating balance with depositories		775		
Other specific purposes				
Unreserved:				
Designated for debt service			86,786	
Designated for universities and colleges				
Undesignated	121,980	765,752		49,009
Total fund equity	135,499	845,271	143,564	81,210
Total liabilities and fund equity	$ 419,677	$ 1,202,167	$ 244,762	$ 109,360

See accompanying notes to combined financial statements.

Proprietary Fund Types			Fiduciary Fund Types	Account Groups		University & College Fund Types	Totals (Memorandum Only)
Enterprise	Internal Service	Debt Issuing Authorities	Trust and Agency	General Fixed Assets	General Long-term Obligations	University	June 30, 1984
$ 242	$ 3,790	$	$ 42,732	$	$	$	$ 324,709
3,804	4,304	27,259	10,132			46,301	379,627
551	1,445		191			40,951	128,838
						8,356	8,356
1,195	1,857	887	33,002			9,469	157,795
123	42				3,290		3,455
475		380				8,724	9,579
		1,003,476			1,642,666	439,790	3,085,932
			55,983			6,574	62,557
15		3,238	80,791		491,246	6,175	589,030
6,405	11,438	1,035,240	222,831		2,137,202	566,340	4,749,878
				323,949		933,131	1,257,080
	3,624						3,624
							54,473
							19,678
		133,313					191,091
							5,328
			5,269				12,980
			14				36,288
			2,925,609				2,925,609
			63,270				63,270
							775
						316,899	316,899
							86,786
						53,187	53,187
136,894	24,556	21,116	30,042				1,149,349
136,894	28,180	154,429	3,024,204	323,949		1,303,217	6,176,417
$ 143,299	$ 39,618	$ 1,189,669	$ 3,247,035	$ 323,949	$ 2,137,202	$ 1,869,557	$ 10,926,295

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COMMONWEALTH OF KENTUCKY
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	June 30, 1984
Revenues:						
Taxes	$2,320,324	$ 382,022	$	$	$ 388,995	$ 3,091,341
Licenses, fees, and permits		72,604				72,604
Intergovernmental	4,249	1,154,779		12,553	83,960	1,255,541
Charges for services	15,743	86,896	333		3,174	106,136
Fines and forfeits	25,302	4,982				30,284
Interest and other investment income	32,263	61,199	10,810	12,218	1,626	118,116
Other	4,880	54,802	136	76	18,636	78,530
Total revenues	2,402,761	1,817,274	11,279	24,847	496,391	4,752,552
Expenditures:						
Current:						
General government	127,597	62,034		21,206	9	210,846
Legislative and judicial	71,778	215				71,993
Commerce	20,395	22,851		41,508	3	84,757
Education and humanities	1,015,750	213,468		10,326	3	1,239,547
Energy	10,454	1,194		571		12,219
Human resources	392,452	729,609		13,949	273,072	1,409,082
Justice	60,799	11,497		220		72,516
Natural resources and environmental protection	23,441	23,578		13,730		60,749
Corrections	58,319	363		8,790		67,472
Public protection and regulation	25,985	25,337		31	8,101	59,454
Transportation	711	702,197		166		703,074
Capital outlay						
Debt service:						
Principal retirement		140	116,109			116,249
Interest and fiscal charges		19,992	128,889		1,336	150,217
Total expenditures	1,807,681	1,812,475	244,998	110,497	282,524	4,258,175
Excess of revenues over (under) expenditures	595,080	4,799	(233,719)	(85,650)	213,867	494,377
Other financing sources (uses):						
Proceeds from sale of bonds		296,724	112,922	32,777		442,423
Operating transfers in		74,126	215,586	20,698	1,505	311,915
Operating transfers out	(219,910)	(219,583)		(9,182)	(5,255)	(453,930)
Other financing sources (uses)	5,355	166,160		303	11	171,829
Increase (decrease) in receivables				(1,664)		(1,664)
Increase (decrease) in inventories	2,669	23,611				26,280
Total other financing sources (uses)	(211,886)	341,038	328,508	42,932	(3,739)	496,853
Excess of revenues and other financing sources over (under) expenditures and other uses	383,194	345,837	94,789	(42,718)	210,128	991,230
Fund balances at July 1, 1983, as restated (Note 2)	90,170	545,182	48,775	204,326	(169,581)	718,872
Equity transfer in (out)	(337,865)	(45,748)		(80,398)	(5,406)	(469,417)
Fund balances at June 30, 1984	$ 135,499	$ 845,271	$ 143,564	$ 81,210	$ 35,141	$ 1,240,685

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINED STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)
ALL BUDGETED FUND GROUPS (NOTE 3)
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	General Fund			Transportation		
	Budget	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)
Revenues:						
Taxes	$2,259,439	$2,287,180	$ 27,741	$ 325,575	$ 359,510	$ 33,935
Licenses, fees, and permits				74,731	53,041	(21,690)
Intergovernmental	3,400	3,266	(134)		209,589	209,589
Charges for services	16,850	15,798	(1,052)	4,336	6,340	2,004
Fines and forfeits	25,219	25,310	91	150	89	(61)
Interest and other investment income	35,300	31,850	(3,450)	14,300	13,686	(614)
Other	2,642	1,976	(666)	23,271	22,825	(446)
Total revenues	2,342,850	2,365,380	22,530	442,363	665,080	222,717
Expenditures:						
Current:						
General government	573,938	562,133	11,805			
Legislative and judicial	76,375	75,385	990			
Commerce	48,136	46,844	1,292			
Education and humanities	1,171,886	1,163,736	8,150			
Energy	13,560	12,904	656			
Human resources	387,529	384,535	2,994			
Justice	68,723	68,382	341			
Natural resources and environmental protection	23,853	23,702	151			
Corrections	61,294	61,211	83			
Public protection and regulation	27,048	25,789	1,259			
Transportation	2,364	2,304	60	820,577	772,852	47,725
Total expenditures	2,454,706	2,426,925	27,781	820,577	772,852	47,725
Excess of revenues over (under) expenditures	$ (111,856)	$ (61,545)	$ 50,311	$ (378,214)	$ (107,772)	$ 270,442

See accompanying notes to combined financial statements.

	Federal			Trust and Agency			Capital Construction		
	Budget	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)
	$	$	$	$	81,224	$	$	$	$
		199			19,469				
		930,705			9,356			12,553	
		41			459,462				
					4,895				
					34,672			9,882	
		3,766			98,710			105	
		934,711			707,788			22,540	
	99,042	16,108	82,934	407,704	393,620	14,084	116,326	55,934	60,392
	58	38	20						
	35,584	12,002	23,582	79,440	52,442	26,998	60,351	44,503	15,848
	199,589	189,063	10,526	24,131	20,018	4,113	19,027	10,326	8,701
	1,909	842	1,067	376	204	172	792	571	221
	944,020	696,180	247,840	63,277	45,770	17,507	36,381	13,949	22,432
	8,199	5,338	2,861	10,750	9,688	1,062	4,303	1,870	2,433
	21,102	18,694	2,408	4,526	3,477	1,049	18,825	13,157	5,668
	250	218	32	7,195	6,364	831	22,012	8,706	13,306
	7,335	4,402	2,933	183,706	85,114	98,592	48	31	17
	216,517		216,517	4,101	1,200	2,901	573	166	407
	1,533,605	942,885	590,720	785,206	617,897	167,309	278,638	149,213	129,425
	$	$ (8,174)	$	$	$ 89,891	$	$	$ (126,673)	$

COMMONWEALTH OF KENTUCKY
COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS/FUND BALANCES - ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Proprietary Fund Types			Fiduciary Fund Types		Totals (Memorandum Only)
	Enterprise	Internal Service	Debt Issuing Authority	Nonexpendable Trust	Pension Trust	June 30, 1984
Operating revenues:						
Charges for services	$ 43,984	$ 49,055	$ 3,610	$	$	$ 96,649
Contributions				15,521	323,433	338,954
Interest and other investment income	137		102,851	7,085	262,250	372,323
Other	774	18	250		13,846	14,888
Total operating revenues	44,895	49,073	106,711	22,606	599,529	822,814
Operating expenses:						
Personal services	30,307	23,928	555			54,790
Utilities, rentals, and other services	12,716	20,459	2,381			35,556
Commodities and supplies	12,536	8,647	40			21,223
Administrative expense				1,042	6,082	7,124
Grants and subsidies	475	598	1,315			2,388
Depreciation and amortization	5,386	3,764	2,281			11,431
Benefits				1,669	176,003	177,672
Refund of contributions					14,070	14,070
Interest			73,319			73,319
Other	492	207	5,417	251	15,872	22,239
Total operating expenses	61,912	57,603	85,308	2,962	212,027	419,812
Operating income (loss)	(17,017)	(8,530)	21,403	19,644	387,502	403,002
Nonoperating revenues (expenses)	1,482	3,589	38,373			43,444
Income (loss) before operating transfers	(15,535)	(4,941)	59,776	19,644	387,502	446,446
Operating transfers in	16,799	8,123			6,496	31,418
Operating transfers out	(2,518)	(2,439)			(2,780)	(7,737)
Other financing sources	5	318				323
Other financing uses		(52)				(52)
Net income (loss)	(1,249)	1,009	59,776	19,644	391,218	470,398
Retained earnings at July 1, 1983, as restated (Note 2)	138,460	29,022	94,653	44,097	2,534,391	2,840,623
Equity transfers in (out)	(317)	(1,851)		(287)		(2,455)
Retained earnings at June 30, 1984	$ 136,894	$ 28,180	$ 154,429	$ 63,454	$2,925,609	$ 3,308,566

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION-
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Proprietary Fund Types			Fiduciary Fund Types		Totals (Memorandum Only)
	Enterprise	Internal Service	Debt Issuing Authority	Nonexpendable Trust	Pension Trust	June 30, 1984
Sources of working capital:						
Operations:						
Net income (loss)	$ (1,249)	$ 1,009	$ 21,403	$ 19,644	$ 391,218	$ 432,025
Items not requiring working capital:						
Depreciation and amortization	5,408	3,764	2,277		(8,757)	2,692
Other			204			204
Working capital provided by operations	4,159	4,773	23,884	19,644	382,461	434,921
Sale of long-term investments			277			277
Proceeds from fixed assets dispositions	69	11,769				11,838
Proceeds from sale of bonds			59,893			59,893
Other	792	(3,561)	14,782			12,013
Total sources of working capital	5,020	12,981	98,836	19,644	382,461	518,942
Uses of working capital:						
Acquisition of fixed assets	4,333	6,894	766			11,993
Decrease in long-term debt	78	6,884	25,486			32,448
Increase in noncurrent receivables			49,309			49,309
Purchase of long-term investments			74,434		392,212	466,646
Equity transfers out	317	1,851	1,600	287		4,055
Other			4,596			4,596
Total uses of working capital	4,728	15,629	156,191	287	392,212	569,047
Net increase(decrease) in working capital	$ 292	$ (2,648)	$ (57,355)	$ 19,357	$ (9,751)	$ (50,105)
Elements of net increase (decrease) in working capital:						
Cash and cash equivalents	$ 4,838	$ (1,826)	$ 14,943	$ (1,461)	$ (11,242)	$ 5,252
Cash with fiscal agents			(851)			(851)
Investments			(80,181)	21,044		(59,137)
Accrued investment income					4,792	4,792
Receivables	(3,275)	(69)	1,881	(351)	1,476	(338)
Interfund receivables	365	5,366	1			5,732
Prepaid benefits					3,696	3,696
Inventories	25	31				56
Other assets	266	(1)	4		(380)	(111)
Warrants payable	(1,111)	(2,455)				(3,566)
Accounts payable	1,006	(2,010)	4,494	125	(8,093)	(4,478)
Interfund payables	(551)	(961)				(1,512)
Deferred revenues	(1,200)	(1,857)	587			(2,470)
Current portion of long-term debt	(51)		(600)			(651)
Current portion of lease-purchase agreements	(20)	1,134				1,114
Other liabilities			2,367			2,367
Net increase (decrease) in working capital	$ 292	$ (2,648)	$ (57,355)	$ 19,357	$ (9,751)	$ (50,105)

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL UNIVERSITY AND COLLEGE FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Current Funds	Fiduciary Funds	Plant Funds	Total June 30, 1984
Revenues and other additions:				
Unrestricted current fund revenues:				
General	$ 157,825	$	$	$ 157,825
Auxiliary enterprise and hospital	139,545			139,545
Restricted current fund revenues:				
Restricted gifts, grants, and contracts	38,104	40,359	4,870	83,333
Investment and interest income	1,592	8,023	5,749	15,364
Governmental grants and contracts	49,549	49,203	8,173	106,925
Student debt service fees				
Transfer from State Treasury	420,020			420,020
Expended for plant facilities			34,303	34,303
Other additions	4,679	22,714	9,576	36,969
Total revenue and other additions	811,314	120,299	62,671	994,284
Expenditures and other deductions:				
Educational and general expenditures	651,557			651,557
Auxiliary enterprise and hospital expenditures	153,282			153,282
Indirect costs recovered	(5,041)			(5,041)
Refunds to grantors	503	43	99	645
Administrative costs		451		451
Loan cancellations		670		670
Payments to beneficiaries		766		766
Expended for plant facilities			292	292
Retirement of indebtedness				
Interest payments			26,834	26,834
Disposal of plant facilities			10,521	10,521
Bonds and notes issued			7,805	7,805
Other deductions	9,259	54,061	5,107	68,427
Total expenditures and other deductions	809,560	55,991	50,658	916,209
Transfers among funds-additions (deductions)	(2,313)	(38,617)	60,274	19,344
Net increase in fund balances	(559)	25,691	72,287	97,419
Fund balances at July 1, 1983	87,805	150,169	967,772	1,205,746
Fund balances at June 30, 1984	$ 87,246	$ 175,860	$ 1,040,059	$ 1,303,165

See accompanying notes to combined financial statements.

Note 1 - Significant Accounting Policies

A. Basis of Presentation - The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the National Council on Governmental Accounting and Audits of State and Local Governmental Units issued by the American Institute of Certified Public Accountants. The financial statements for the University and College Funds have been prepared in conformity with generally accepted accounting principles as prescribed by the National Association of College and University Business Officers and Audits of Colleges and Universities issued by the American Institute of Certified Public Accountants.

B. Scope of Entity - The accompanying financial statements include all fund types and account groups of the offices of statewide elected constitutional officers; all cabinets and agencies within the executive branch; the General Assembly and its supporting agency, the Legislative Research Commission; the Supreme Court, Court of Appeals, and their support agency, the Administrative Office of the Courts; the state-supported universities, and the statutory boards and commissions. Oversight responsibility for these governmental organizations is vested in constitutionally established, elected offices. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters, and scope of public service.

Municipalities, counties, and local school, fire, water, and other special purpose districts whose scope of service is not statewide in nature are not considered part of the Commonwealth's reporting entity. In addition, interstate commissions, where oversight responsibility is remote, are not considered part of the Commonwealth's reporting entity.

C. Fund Structure and Basis of Accounting - The accompanying financial statements are structured into four fund categories and a fifth type of accounting entity, account groups. The fund categories include governmental funds, proprietary funds, fiduciary funds, and university and college funds. Account groups are presented for general fixed assets and general long-term obligations.

Governmental Funds include:

1. General Fund - accounts for financial resources appropriated by the General Assembly which are not required to be accounted for in another fund;

2. Special Revenue Funds - account for specific revenue sources, other than for expendable trusts or major capital projects, (except for Turnpike Authority resource recovery roads), dedicated to specific operations;

3. Debt Service Fund - accounts for the accumulation of resources for, and the payment of, general long-term obligation principal and interest, and related administrative costs; and

4. Capital Projects Fund - accounts for financial resources appropriated by the General Assembly for the acquisition, construction, or renovation of major capital facilities, and for the acquisition of major equipment, other than those financed by proprietary funds, certain trust funds, and university and college funds.

All of the governmental funds are accounted for on the modified accrual basis of accounting. In accordance with the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recorded at the time liabilities are incurred except:

a. Inventories generally are considered expenditures at acquisition;
b. Prepayments usually are accounted for as expenditures of the period of acquisition; and
c. Interest on long-term debt is recorded when paid.

Proprietary Funds include:

1. Enterprise Funds - account for the Commonwealth's operations where the intent is that costs of providing goods and services primarily to the general public be financed primarily through customer charges; and

2. Internal Service Funds - account for financing goods and services provided by one agency of the Commonwealth primarily to other agencies or governments on a cost reimbursement basis; and

3. Public Benefit Corporations - in compliance with NCGA Statement No. 3, "Defining the Governmental Reporting Entity", the Commonwealth has included in the general purpose financial statements several organizations which meet the criteria established by Statement No. 3. The criteria for inclusion was determined on the basis of accountability for fiscal matters, designation of management, ability to significantly influence operations, selection of governing authority, scope of public service, and any special relationships. The inclusion of an organization in no way alters the defined prerogatives of the management of the organization, the organization's charter, statutory authority, or legal characteristics or conditions. Six such organizations have been included in the Proprietary Fund Type classification of the Commonwealth. They are: The Kentucky Center for the Arts, Inc., Kentucky Housing Corporation, Pollution Abatement Authority, Kentucky Higher Education Student Loan Corporation, and Kentucky Development Finance Authority. All organizations have been audited by independent certified public accounting firms and the amounts reported are based solely on the audited reports provided by those organizations.

Fiduciary Funds include:

1. Pension Trust Funds - account for monies received for, expenses incurred by, and net assets available for plan benefits of the various public employee retirement systems; and

2. Agency Funds - account for monies held by the Commonwealth for custodial purposes only.

Expendable Trust and Agency Funds are accounted for on the modified accrual basis of accounting. Nonexpendable and Pension Trust Funds are accounted for on the accrual basis of accounting.

University and College Funds include:

1. Current Funds - account for economic resources of the institution which are expendable for any purpose in performing the primary objectives of the institution and which have not been designated by the governing body for any other purpose; and for resources restricted for specific current operating purposes by a donor or other external agency;

2. Fiduciary Funds - account for assets held by loan, endowment, life income, and agency funds in which the universities act in a fiduciary capacity;

3. Plant Funds - account for institutional property acquisition, renewal, replacement, debt service, and investment; and

4. Affiliated Corporations - account for the activities of not-for-profit corporations which are affiliated with the various state universities. The not-for-profit corporations are considered to be affiliates of their respective universities due to interlocking Boards of Directors and officers who also serve as officers of the Universities. University of Kentucky affiliates are: University of Kentucky Research Foundation, The Fund for Advancement of Education and Research in the University of Kentucky Medical Center, University of Kentucky Athletic Association, Health Care Collection Services, Inc., University of Kentucky Mining Engineering Foundation, Inc., and University of Kentucky Business Partnership Foundation, Inc. Murray State University affiliate is the Murray State University Foundation, Inc. Eastern Kentucky University affiliate is the Eastern Kentucky University Foundation, Inc. Western Kentucky University affiliate is the College Heights Foundation, Inc. University of Louisville affiliate is the University of Louisville Foundation, Inc. Northern Kentucky University affiliate is the Northern Kentucky University Foundation, Inc. Kentucky State University affiliate is the Kentucky State University Foundation, Inc.

The university and college funds are accounted for on the accrual basis of accounting.

Account Groups include:

1. General Fixed Assets Account Group - accounts for fixed assets acquired or constructed for general governmental purposes; other than those of the proprietary, fiduciary, and university and college fund types; and

2. General Long-Term Obligation Account Group - accounts for unmatured general long-term liabilities of the Commonwealth, other than those of the proprietary, fiduciary, and university and college fund types.

   Certain obligations included in the General Long-Term Obligations Account Group for the State Property and Building Commission are also reflected in the statements as investments. The Unemployment Compensation Commission Administration accounts per KRS 341.296 have been invested in obligations of the State Property and Building Commission. These are Project 2 Series J bonds and Project 11 series A and B bonds.

D. Budget - Biennium budgets are prepared principally on the cash basis, are adopted as amended by the General Assembly, and are enacted into law by the passage of appropriation acts. Separate appropriations are enacted for each fiscal year of a biennium. The appropriation acts authorize the maximum amount to be expended by each budget unit. In accordance with the applicable statutes, appropriations can be amended by the Secretary of the Finance and Administration Cabinet. Budgetary control is maintained at the budget unit (i.e., function, major program area, program or unit of organization). Encumbrance accounting is utilized for budgetary control purposes. Encumbrances outstanding at year end for long-term construction contracts and other commitments of a continuing nature are reported as reservations of fund balance for subsequent year expenditure. All other encumbrances and unencumbered appropriations lapse at the end of each fiscal year. Revenues are budgeted only for the general fund and the transportation fund.

General fund appropriations of $2,420,426,600 were reduced by $45,287,300 during the year as a result of revised revenue estimates. Revised general fund appropriations were $2,375,139,300. Transportation fund appropriations of $454,020,000 were revised to $442,363,000 as a result of revised revenue estimates.

Capital projects are budgeted by project for the total project cost. Although a "budget" for capital projects is authorized annually, this annual budget is the total authorized appropriations for new projects and approved revisions in the projects in progress. Therefore, the annual budget does not control the annual expenditures.

The amounts presented as budgeted expenditures for the capital construction funds in the accompanying Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - (Budgetary Basis) - All Budgeted Fund Groups, represent the maximum expenditure authority for the fiscal year. As of June 30, 1984, total project expenditures of $815,924,315 had been expended against total appropriations of $945,349,041 leaving unexpended appropriations of $129,424,726.

Since the budget fund structure differs from the financial statement fund structure, and since the annual budget is prepared principally on the cash basis, which basis differs from generally accepted accounting principles (GAAP), actual amounts in the accompanying budgetary comparison statements are presented on the budgetary fund structure. A reconciliation between the budgetary basis and the GAAP basis is presented in Note 3.

E. Cash and Cash Equivalents - In addition to bank accounts and imprest cash, this classification includes short-term investments such as certificates of deposit, U. S. Treasury bills, and repurchase agreements. Cash equivalents are stated at cost, which approximates market.

F. Investments - This classification includes long-term investments, principally the Pension Trust Fund portfolio, which are stated at cost or amortized cost. At June 30, 1984, the market value of these investments approximated $2,927,167,000.

G. Receivables - Receivables in the Commonwealth's governmental and fiduciary funds primarily consist of federal revenues, taxes, and interest on investments. Some governmental fund revenues are not susceptible to accrual prior to receipt, including licenses, fees, permits, and similar revenues which are recognized on the cash basis. Receivables in all other funds have arisen in the ordinary course of business. Receivables of $1,531,244,000 reported net of allowances for uncollectibles, where applicable, amounting to $455,588,521.

H. Interfund Transactions - The Commonwealth has the following types of interfund transactions:

1. Quasi-external transactions - Charges for services rendered by one fund to another that are treated as revenues of the recipient fund and expenditures or expenses of the disbursing fund.

2. Reimbursements - Reimbursement of expenditures made by one fund for another are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

3. Residual Equity Transfers - Nonroutine or nonrecurring transfers between funds are reported as additions to or deductions from the fund equity balance.

4. Operating Transfers - Legally authorized transfers other than residual equity transfers are reported as operating transfers in the financial statements.

The composition of the interfund receivables and payables at June 30, 1984, is presented in Note 6.

I. Inventories - Inventories in the Governmental Funds and similar Trust Funds consist of expendable supplies held for consumption, the costs of which are recorded as an expenditure at the time of purchase. Reserves of fund balance have been established for the inventory balances for Governmental Funds. Inventories in the Proprietary Funds and similar Trust Funds consist of both expendable supplies held for comsumption and the cost of goods held for resale, the costs of which are recorded as an expense as they are used. Inventories are valued at cost (first-in, first-out).

J. Fixed Assets and Depreciation

1. General Fixed Assets - All fixed assets acquired or constructed for general governmental purposes are reported as expenditures in the fund that finances the asset acquisition. Equipment is valued in the General Fixed Assets Account Group at historical cost or estimated historical cost if historical cost is not available. Donated equipment is reported at estimated fair market value at the time received. Historical cost records for land and buildings are incomplete or not available. Accordingly, land and buildings are not included in the General Fixed Assets Account Group. Also certain public domain (infrastructure) general fixed assets such as highways, curbs, bridges, and right-of-ways are not capitalized. No depreciation is provided on general fixed asets.

The Commonwealth is in the process of establishing appropriate accounting records for all general fixed assets.

2. Proprietary and Similar Fiduciary Fund Types - Fund fixed assets acquired or constructed are stated at cost or fair market value. They are being depreciated principally on a straight-line basis over estimated useful lives ranging from 20 to 50 years for Structures and Improvements and 3 to 10 years for Machinery and Equipment. Certain state land and buildings financed by bonds issued by the State Property and Buildings Commission are not included in fund fixed assets. It is the Commonwealth's policy not to capitalize interest expense incurred on significant assets during their construction.

	Years
Buildings and improvements	20 to 50
Machinery and equipment	3 to 10

3. University and College Fund Type - Fixed assets in the University and College Fund Type are stated at cost or fair market value. Depreciation is not recognized on university fixed assets.

K. Fund Balance Reserves and Designations - The Commonwealth's fund balance reserves represent those portions of fund balance 1) not appropriable for expenditure or 2) legally segregated for a specific future use. Designated portions of fund balance represent tentative managerial plans for financial resource utilization in a future period.

L. Long-Term Obligations - Long-term liabilities that will be financed from Governmental Funds and Expendable Trust Funds are accounted for in the General Long-Term Obligations Account Group. These long-term liabilities include the following:

1. Payments of principal and interest for general obligation debt and revenue bonds which are recorded as expenditures in the Debt Service Funds.

2. Compensated absences reported in the General Long-Term Obligations Account Group include accumulated unpaid vacation and compensatory time accruals. Except for the Pension Trust Funds, the amount accruing to Proprietary Funds cannot be accurately allocated to the funds; therefore as it is an immaterial amount it has been included in the account group.

It is the Commonwealth's policy to record the cost of annual, sick, and compensatory leave ranging from 7.5 to 13.13 hours per month with maximum accumulation ranging from 30 to 60 days. At June 30, 1984, the estimated liability for accrued annual leave was $58,938,968. Generally, since sick leave, earned one day per month with unlimited accumulation, is paid only when employee is absent due to illness, injury, or related family death, there was no liability for sick leave at June 30, 1984. The estimated accumulated amount of unused sick leave at that date was $104,525,990. A maximum of six (6) months of a qualifying retiring state employee's sick leave balance, expressed in months, shall be added to his service credit for the purpose of determining his annual retirement allowance. Compensatory leave is granted to authorized employees on an hour-for-hour basis. At June 30, 1984, the estimated liability for compensatory leave was $12,158,432.

3. Outstanding capital lease obligations for Governmental Funds and Expendable Trust Funds are reported in the General Long-Term Obligations Account Group.

   Long-term liabilities of all Proprietary, Non-expendable Trust and Pension Trust Funds are accounted for in the respective funds.

Note 2 - Changes in Accounting Principles and Reporting Practices - In years prior to 1984, the Commonwealth's financial statements were presented on the basis of accounting adopted for budgeting purposes and prescribed by law. Certain changes were made in the Commonwealth's accounting principles and reporting practices during the fiscal year 1984 to present the financial statements in accordance with generally accepted accounting principles as prescribed by National Council on Governmental Accounting (NCGA) Statement 1 and subsequent NCGA pronouncements. Principally these changes involved 1) the inclusion of additional entities in the combined financial statements; 2) conversion to a basis of accounting in accordance with GAAP; 3) the inclusion of accounts previously omitted from the published statements; and 4) the establishment of a general fixed assets account group.

The following table summarizes the restatement of fund equities as of June 30, 1983, to give effect to these changes.

Financial Statement Fund Types	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
Available balance fund equities at July 1, 1983, as previously reported	$ 40,872	$559,192	$ 9,000	$132,609	$ 6,501	$ 7,576
Accruals	49,298	49,240		11,717	131,952	21,446
Other entities not previously included		22,513	39,775		7	
Other entities reclassified		(85,709)				
Prior period adjustments		(54)				
Fund equities at July 1, 1983, as restated	$ 90,170	$545,182	$ 48,775	$204,326	$ 138,460	$ 29,022

Expendable Trust	Nonexpendable Trust	Pension Trust	Agency	General Long-Term Obligation Account	General Fixed Assets	Debt Issuing Authorities	University and College Funds	Total
$ (111,072)	$ 445	$2,472,977	$48,928	$1,324,075	$	$	$	$4,551,103
(47,188)		61,414		81,110				358,989
	43,652				299,321	94,653	1,205,746	1,705,667
								(85,709)
(11,321)								(11,375)
$ (169,581)	$ 44,097	$2,534,391	$48,928	$1,405,185	$299,321	$ 94,653	$ 1,205,746	$6,518,675

Note 3 - Budgetary Basis vs. GAAP - The accompanying Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -Budget and Actual (Budgetary Basis) All Budgeted Fund Groups, presents comparisons of the legally adopted budget (see Note 1D) with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant differences in excess of revenues over (under) expenditures and other sources (uses) of financial resources for the year ended June 30, 1984, is presented in the following table (amounts expressed in thousands):

Budgetary Funds	General	Transportation	Federal	Trust and Agency	
Financial Statement Funds	General		Special Revenue		
Excess of revenues over (under) expenditures (budgetary basis)	$(61,545)	$ (107,772)	$(8,174)	$(3,971)	$ 85,496
Nonbudgeted financing sources (uses)		69,372	20,814	21,557	(67,455)
Inclusion of outside entities (net)					
Excess of revenues and nonbudgeted financing sources over (under) expenditures and nonbudgeted financing uses (budgetary basis)	(61,545)	(38,400)	12,640	17,586	18,041
Adjustments:					
To adjust revenues for accruals	37,381	14,970	(1,892)	(19,779)	(315,370)
To adjust expenditures for accruals	(7,645)	5,906	(7,849)	25,058	186,037
To eliminate net activity for university and other entities	406,979				13,487
Excess of revenues and other sources of financial resources over expenditures and other uses of financial resources (GAAP basis) - budgetary classifications	375,170	(17,524)	2,899	22,865	(97,805)
Reclassifications and other adjustments; To reclassify excess of revenues and other sources of financial resources over (under) expenditures and other uses of financial resources into financial statement fund types	8,024	38,598	(3,637)	632	399,809
Excess (deficiency) of revenues and other sources of financial resources (GAAP basis)	$383,194	$ 21,074	$ (738)	$23,497	$302,004

Note 4 - Stewardship, Compliance, and Accountability

A. The Unemployment Compensation Fund has a deficit at June 30, 1984, of $3,179,755. This is down from the deficit of $148,965,702 reported at June 30, 1983. At June 30, 1984, advances from the U. S. Treasury used to pay benefit claims were outstanding in the amount of $79,364,071. Advances subsequent to April 1, 1982, bear interest at 10% payable on September 30 of each year. Subsequent to June 30, 1984, all advances from the U. S. Treasury have been repaid.

B. The Transportation Fund has an excess of expenditures over appropriations at June 30, 1984, of $141,346 in the air transportation program and $177,346 in the public transportation program; however, no dollars were expended against these program's federal fund appropriations of $2,511,600 and $2,225,000, respectively.

C. The Other Special Revenue Fund has an excess of expenditures over appropriations at June 30, 1984, of $2,172,419 in the Jefferson County Fees program. In accordance with the statutes "deficits may be made up out of the amount paid in succeeding month; but in no event shall the amount allowed by the Finance and Administration cabinet to any officer for salaries and expenses exceed seventy-five percent (75%) of the amount paid to the Finance and Administration Cabinet by the official term."

Note 5 - General Fixed Assets - A statement of changes in general fixed assets for the year ended June 30, 1984, is presented below (expressed in thousands).

	Balance July 1, 1983	Additions	Deletions	Balance June 30, 1984
Machinery and equipment	$ 299,321	$ 36,366	$ 11,738	$ 323,949

Capital Construction Capital Projects	Enterprise	Internal Service	Expendable Trust
$ (126,673)	$ 3,061	$ (2,393)	$ 7,698
20,058	14,340	6,305	(3,923)
	(1,057)		
(106,615)	16,344	3,912	3,775
2,307	(1,349)	(1,879)	1,042
19,076	(17,671)	(4,584)	55,029
50,838			
(34,394)	(2,676)	(2,551)	59,846
(8,324)	1,427	3,560	
$ (42,718)	$ (1,249)	$ 1,009	$ 59,846

Note 6 - Interfund Receivables and Payables - A summary of interfund receivables and payables at June 30, 1984, is shown in the table below (expressed in thousands).

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	University and College	Total
Interfund Receivables	$ 502	$40,219	$36,383	$ 2,232	$ 468	$ 7,691	$ 392	$ 40,951	$128,838
Interfund Payables	6,529	79,082		89	551	1,445	191	40,951	128,838

Note 7 - Pension Plans - The Commonwealth sponsors the following defined public employment retirement systems (PERS):

Kentucky Employes Retirement System (KERS) - covers substantially all regular full-time employees of any state department, board, or agency directed by Executive Order to participate in the System.

State Police Retirement Systems - covers substantially all regular full-time officers of the Kentucky State Police.

Teachers' Retirement System - covers substantially all persons occupying positions in the public elementary or secondary schools for which a certificate is required, faculty members of five regional universities, the Superintendent of Public Instruction and his professional staff, the faculty members of the School for the Deaf, School for the Blind, and the state and area vocational schools.

Judicial Form Retirement System covers two plans:

Judicial Retirement Plan - covers all District Judges, Circuit Judges, Judges of the Court of Appeals, and Judges of the Supreme Court.

Legislators Retirement Plan - covers all active members of the General Assembly.

County Employes Retirement System - covers substantially all regular full-time employees of each county and school board electing to participate in the System, and any additional local agencies electing to participate.

Kentucky Retirement Systems Insurance - accounts for the accident and health insurance for members receiving benefits from the Kentucky Employes Retirement System, County Employes Retirement System, and State Police Retirement System.

These systems provide for employee contributions, based on fixed percentages ranging from 3.0% to 9.32%, applied to an employee's annual compensation, to supplement contributions provided by the Commonwealth. Funding by the Commonwealth is determined by the General Assembly and is based, in part, on actuarial consultations, generally without regard to pension expense calculated in accordance with the provisions of APB Opinion No. 8.

The following summarizes the actual present value of accumulated PERS plan benefits as of June 30, 1984, (amounts in thousands):

Vested benefits:	
Pensioners and beneficiaries	$ 1,657,478
Members	2,010,159
Nonvested benefits	115,848
Total	$ 3,783,485

Present value of accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the plans' provisions to the services employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. The accumulated plan benefits for active employees are based on their average compensation during the years ending on the date as of which the benefit information is presented (the valuation date). Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided under annuity contracts are excluded from accumulated plan benefits.

The actuarial present value of accumulated plan benefits for each plan has been determined by consulting actuaries. This amount results from applying actuarial assumptions to adjust the total accumulated plan benefits to reflect the time value of money (through discounts for interest at the rates shown below) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The most recent valuation date for all plans was June 30, 1984, except for Judicial Form Retirement System, for which the date was June 30, 1983, and Teachers' Retirement System, for which the date was June 30, 1982. All plans use the entry age cost method except for TRS which uses the unit credit cost method. Assumed rates of return on investments ranged from 7.0% to 7.5% and assumed salary increases taken into account in determining plan obligations under actuarial cost method ranged from 5.2% to 9.3%. Various mortality tables were used, and the rate of turnover without vested benefits assumed a high scale at younger age levels, becoming progressively lower as age advances, consistent with the plans' experience. No significant amendments to the plans were made during fiscal year 1984.

Note 8- Deferred Compensation - Commonwealth employees are eligible to participate in a deferred compensation plan. All costs of administering and funding the plan are the responsibility of the plan participants. The Commonwealth makes no contributions. At June 30, 1984, contributions of $6.3 million have been deposited by Commonwealth employees (including accumulated interest earnings) in the Kentucky Public Employees Deferred Compensation System, and invested by the financial institution administering the plan. In accordance with Section 457 of the Internal Revenue Service Code, the assets are available to the general creditors of the Commonwealth should the need arise. The reporting period for this fund is an eighteen month period January 1, 1983, through June 30, 1984. The additional 6 months were included in order to bring the reporting period in accordance with the Commonwealth's fiscal year.

Note 9 - Lease Obligations - The Commonwealth has entered into various leases for land, buildings, and equipment. Generally leases contain termination clauses providing for cancellation after 30, 60, or 90 days written notice. In addition, certain leases contain appropriation clauses indicating that continuation of the lease is subject to funding by the General Assembly. It is expected that in the normal course of business most of these leases will be replaced by similar leases.

At June 30, 1984, capitalized leases included equipment (amounts expressed in thousands) as follows:

	Proprietary Fund Types	General Fixed Assets
Equipment	$ 366	$ 4,706
Less: Accumulated depreciation	$ 115	
	$ 251	$ 4,706

At June 30, 1984, minimum rental commitments for noncancellable leases for the next five years (amounts expressed in thousands) were as follows:

Year Ending June 30	Capitalized Leases
1985	$ 1,039
1986	917
1987	1,092
1988	231
1989	81
Total minimum lease payments	$ 3,410

Changes in leases payable accounted for in the general long-term obligation account group for the year ended June 30, 1984, are summarized in Note 10.

Note 10 - Bonds and Notes Payable - General obligation bonds are issued through State Property and Buildings Commission. The Kentucky Constitution requires general referendum approval of any issue of general obligation bonds. General obligation bonds pledge the full faith, credit, and taxing power of the Commonwealth and denote application of specific or general tax revenues to provide payment of principal and interest requirements on the debt. No new bonds of this type have been issued since 1965, and there are no general obligation bonds authorized but unissued at June 30, 1984.

General obligation bonds outstanding of June 30, 1984, are as follows (amounts expressed in thousands):

Purpose	Outstanding	
	Interest Rate	Amount
Various Purpose	3.25% to 4.75%	$ 18,465
Parks	1.00 to 5.75%	3,020
Veterans Bonus	0.10 to 6.00%	42,105
Highway	1.25% to 6.75%	143,010

Future general obligation debt service requirements at June 30, 1984, are as follows (amounts expressed in thousands):

Year Ending June 30	Principal	Interest	Total
1985	$ 20,590	$ 8,142	$ 28,732
1986	21,360	7,380	28,740
1987	22,170	6,585	28,755
1988	23,020	5,744	28,764
1989	23,925	4,867	28,792
Thereafter	95,535	13,572	109,107
	$ 206,600	$ 46,290	$ 252,890

Revenue Bonds:
General authorization for the use of project revenue debt is contained in Chapter 58 of the Kentucky Revised Statutes. The authority for each debt entity to issue project revenue debt is contained in the legislation creating each entity. Reference to this legislation is made in the following descriptions of the debt entities. Effective July 15, 1980, KRS 56.870 requires prior approval of debt financing projects by the Kentucky General Assembly sitting in regular or special session. Succeeding statutes establish the methods of this approval and the exemptions of it. The majority of new debt issues are approved through the appropriation act. Per KRS 56.873 effective July 15, 1980, revenue bonds having passed the above mechanisms, and not requiring state appropriations, must receive an "A" rating by Moody's Investors Service or the equivalent rating by another qualified rating agency prior to their sale.

Project revenue debt pledges only the revenues produced by the project so funded as security for repayment, and does not directly obligate the Commonwealth. Kentucky's project revenue debt may be further classified by the purpose of the debt. Revenue debt issued by four state debt issuing entities: the Kentucky Housing Corporation, the Kentucky Pollution Abatement Authority, the Kentucky Higher Education Student Loan Corporation and the Kentucky School Building Authority is used as a financing mechanism for activities and facilities not used directly for state purposes. The tax-exempt status of such "municipal debt," whether issued by either state or local governments, is used to provide financing for entities unable to bear the costs of private financing, when the Legislature deems such entities worthy of public assistance. The other category of revenue debt finances facilities used directly by state government in daily activities; for example, roads, parks, office buildings, educational facilities. The primary distinction between these categories is that the first type, with the exception of the Kentucky School Building Authority, requires no state funds of any type to provide "debt service," principal and interest payments, on the debt. The School Building Authority supplements funds provided by local school boards in varying percentages for debt service. This distinction is important in analyzing the true level of "state" debt and the "burden" of that debt on state resources.

Agencies and authorities issuing debt which represents a direct obligation of the state and related amounts outstanding, net of discounts and defeased bonds, at June 30, 1983, are as follows (amounts expressed in thousands):

Agency		Amount Outstanding	Interest Rates	Annual Maturity To
State supported:				
State Property and Buildings Commission	$380,158			
Less: Project 18 University of Kentucky	7,060	$ 373,098	2.5% to 12.0%	2009
Turnpike Authority of Kentucky		1,007,980	3.8% to 13.125%	2010
Kentucky School Building Authority	88,885			
Less: local school districts' patron	35,177	53,708	5.24% to 14.2%	2008
Total state supported		1,434,786		
Self-supported:				
Enterprise				
Kentucky Housing Corporation		657,205	4.3% to 13.0%	2019
Kentucky Pollution Abatement Authority		49,850	5.0% to 11.375%	2010
Kentucky Higher Education Student Loan Corporation		294,770	6.1% to 9.375%	1994
University and College:				
University of Kentucky	136,435			
Plus: Project 18	7,060	143,495	2.75% to 10.2%	2018
University of Louisville		113,958	3.0% to 11.0%	2016
Eastern Kentucky University		55,210	2.9% to 6.4%	2008
Western Kentucky University		40,271	2.75% to 7.25%	2010
Murray State University		28,695	2.125% to 7.25%	2008
Morehead State University		27,015	2.875% to 6.4%	2005
Kentucky State University		6,289	2.375% to 7.25%	2006
Northern Kentucky University		32,535	4.0% to 9.8%	2013
Total self-supported		1,449,293		
Total		$ 2,884,079		

Debt service requirements, principal and interest, relating to revenue bonds are shown in Table 6(amounts expressed in thousands).

Kentucky State Property and Buildings Commission

The State Property and Buildings Commission is composed of the Governor, Lieutenant Governor, the Attorney General, the Secretary of the Finance and Administration Cabinet, the Secretary of the Revenue Cabinet, and the Secretary of the Commerce Cabinet. The Commission is an independent agency of the Commonwealth created by Section 56.450 of the Kentucky Revised Statutes and is empowered upon application of any state agency to issue bonds in its own name to pay the costs of acquiring land and the construction and equipping of buildings for the use and occupancy of said agencies.

Turnpike Authority of Kentucky

The Turnpike Authority of Kentucky was created in the 1960 Regular Session of the General Assembly of Kentucky under present KRS Sections 175.410 to 175.990 as a body corporate and politic constituting a municipal corporation, political subdivision, and a governmental agency and instrumentality of the Commonwealth. The Authority members consist of the Governor, the Lieutenant Governor, the Attorney General, the Secretary of Transportation, the Commissioner of Highways, the State Highway Engineer, and the Secretary of the Commerce Cabinet. The Authority, under the above mentioned acts, is empowered to acquire, construct, finance, maintain, repair and operate turnpike projects and resource recovery road projects pursuant to written agreements with the Transportation Cabinet. Such roads are leased to the Transportation Cabinet, with rental payments providing debt service on debt issued for such purposes.

During the fiscal year ended June 30, 1984, the Turnpike Authority of Kentucky issued $300,000,000 of Economic Development Road Bonds maturing to 2004, and interest rates ranging from 6.75% to 10.25%.

State Universities

The Board of Trustees of the University of Kentucky and the Board of Regents of all other state universities, including the University of Louisville, Eastern Kentucky University, Western Kentucky University, Murray State University, Morehead State University, Kentucky State University, and Northern Kentucky University, are authorized under KRS 56.495 to issue debt for the purpose of constructing educational buildings and housing and dining facilities. In addition, the University of Louisville is specifically authorized to issue debt for education buildings under KRS 64.860 but is limited to $16 million of refunding debt.

During the fiscal year ended June 30, 1984, the University of Kentucky issued $3,500,000 of Community College Revenue Bond anticipation notes, maturing to 1986 and interest at the rate of 6.49%. The University of Louisville issued $10,100,000 of Consolidated Educational Building Revenue Bonds maturing to 2016 and interest rates ranging from 10.0% to 10.4%.

Kentucky Housing Corporation

The Housing Corporation was established by a 1972 Act, now KRS Chapter 198 A. The Corporation is a municipal corporation and political subdivision of the Commonwealth governed by a Board of Directors consisting of the Secretary of the Finance and Administration Cabinet, the Commissioner of the Department of Local Government, the Secretary of the Revenue Cabinet, the Secretary of the Transportation Cabinet, the Attorney General, the Secretary of Commerce, and eight additional members appointed by the Governor. The Corporation is authorized to increase the supply of housing for persons of lower income by making or participating in insured construction loans, and making, or participating, in insured mortgage loans when financing is not available from private lenders under reasonably equivalent terms and conditions. The Housing Corporation is limited to a total principal value of debt outstanding $1.125 billion.

During the fiscal year ended June 30, 1984, the Kentucky Housing Corporation issued $19,920,000 of Home Ownership Revenue Bonds maturing to 2014, and interest rates ranging from 6.0% to 10.75%.

Kentucky Pollution Abatement Authority

The Authority is a corporate body and a political subdivision of the Commonwealth. Its purpose, as established by the Kentucky Legislature in 1972 under KRS Chapter 224A, is to issue debt and make repayable grants to local government units for assistance in construction of wastewater treatment facilities for the abatement of water pollution in the Commonwealth. Also, by a 1978 amendment to KRS Chapter 224A and pursuant to KRS 103.200 through KRS 103.286, the Authority may loan the proceeds of its debt issued to industrial concerns to enable them to construct new pollution control facilities. The Board of the Authority consists of seven members appointed by the Governor of the Commonwealth. The Authority is presently chaired by the Secretary of the Commerce Cabinet.

Kentucky Higher Education Student Loan Corporation

The Corporation's powers, as outlined under KRS Chapter 164A, include the authority to make and to guarantee student loans and to reinsure such student loans with the United States of America, pursuant to the Federal Higher Education Act of 1965. The Corporation is created as a body corporate and politic to act as a financing authority and assure a secondary market for insured student loans. The Corporation is governed by a Board of Directors consisting of five members, two of whom are chosen from the general public and the other three being the Chairman of the Council on Higher Education, the Secretary of the Finance and Administration Cabinet, and the Chairman of the Kentucky Higher Education Assistance Authority. The Corporation is limited to a maximum principal debt outstanding of $400 million to finance student loans and loan guarantees.

Kentucky School Building Authority

The Authority is an agency and instrumentality of the Commonwealth of Kentucky, established as a public corporation, as described under KRS Chapter 273. The Authority and its powers are described under KRS 157.800 through KRS 157.895 resulting from legislation in the 1978 Regular Session. The Authority was directed to reduce the backlog of schoolhouse construction by:

(a) making direct cash grants to local school districts for construction, reconstruction, or emergency maintenance of school facilities, when the district is without sufficient funds;

(b) acting on behalf of school districts to issue bonds in the name of the Authority and entering into lease agreements with local Boards of Education to finance construction or reconstruction of school facilities;

(c) entering into agreements with local Boards of Education which provide for a percentage discount of up to 90% of annual lease payments due the Authority for those districts which qualify under regulations of the Authority provided for in Section 5 of KRS 157.820; and

(d) entering into lease agreements with the Department of Education to build state-owned, department-operated facilities.

Kentucky Development Finance Authority

The Kentucky Development Finance Authority (KDFA), established in 1958 (KRS 154), is an independent agency of state government which operates in close cooperation with the Secretary of the Commerce Cabinet to promote the industrial development of Kentucky. KDFA is the only agency at the state level with the authority to issue industrial revenue bonds.

In connection with the issuance of bonds in July 1981, the proceeds of which were used by a third party to finance the development and operation of a public ski resort at General Butler State Park, the Authority agreed to lend to the third party any amount of the bonds' debt service requirement the third party was unable to pay during the year ended April 1, 1982. Such obligation to lend funds if the third party could not meet the requirements automatically extended to each succeeding year unless terminated by the Authority prior to April 1. The agreement, dated July 1, 1981, stated the Authority's intention to allow the agreement to renew each year, it being understood that the Authority was legally committed to only one year at a time.

Upon the failure of the third party to satisfy the requirements of the bond obligation, negotations commenced and in October, 1983, the Authority (as guarantor) retired $2,700,000 of the outstanding $3,040,000 bond indebtedness. In addition, the Authority agreed to forgive loans of $500,000 it disbursed for improvements and maintenance at the ski resort. The value of the ski resort was appraised at $762,000 and, accordingly, a loss of $2,438,000 was recorded by the Authority as of June 30, 1983.

Under the terms of an agreement between the Authority and the Trustee of the bonds, the Authority will pay the Trustee an amount not exceeding $340,000. Said amount will be paid from future operations of the ski resort for the first nine (9) years from the net profits, if any, a sum not to exceed $40,000 per year, and thereafter from the gross annual revenues, if any, up to a maximum of five (5) percent per year. The Authority shall have the right to prepay all or any of the aforesaid amount. The $340,000 was reduced by $88,664 (escrow deposit earnings) at the time of the $2,700,000 bond defeasance.

The authority entered into a ten year lease agreement under which another party would operate the ski resort facility and pay a percentage of annual gross revenues to the Authority. The Authority earned $65,227 in lease income for the year ended June 30, 1984, all of which was receivable at June 30, 1984. The Authority's Board of Directors determined at the July 1984 meeting that $28,000 would be paid to the Trustee based on the 1984 lease income, leaving an unpaid balance of $223,336. Accordingly, the Authority had net earnings from leasing operations of $37,227 for the year ended June 30, 1984.

At June 30, 1984, the Kentucky Development Finance Authority had revenue bonds outstanding in the amount of $210,443,705 maturing to 2013, and interest rates ranging from 4.5% to 15.5%.

During the 1983-84 fiscal year KDFA issued $84,950,000 in industrial revenue bonds; the proceeds were used to finance several new industrial projects. The interest rates range from 5.12% to 15.5%, and the bonds mature through July 1, 2013.

Notes Payable:
Kentucky State Property and Buildings Commission -

In addition to general obligation and revenue bonds, the State Property and Buildings Commission issues bond anticipation notes. There were no bond anticipation notes issued or outstanding at June 30, 1984.

During the fiscal year ended June 30, 1984, the Kentucky State Property and Buildings Commission issued Project Revenue Bonds totaling $60,550,000 maturing to 2009, and interest rates ranging from 8.8% to 10.0%. The Commission also issued $22,600,000 of Economic Development Revenue Bonds, maturing to the year 2004, and interest rates ranging from 8.0% to 10.0%. The Commission was committed to the issuance of $50,000,000 of Revenue Bonds for the Kentucky Development Finance Authority loan program. These bonds are dated June 1, 1984; however, they were not closed until September, 1984.

Changes in General Long-term Obligations - Changes in general long-term obligations (amounts expressed in thousands) for the year ended June 30, 1984, are summarized as follows:

	Compensated Absences	Capital Leases	General Obligation Bonds	State Supported Revenue Bond	Total
Balance at July 1, 1983	$ 67,331	$13,779	$ 226,425	$ 1,097,650	$1,405,185
Obligations incurred				360,550	360,550
Obligations retired		(10,489)	(19,825)	(22,134)	(52,448)
Other changes	5,425				5,425
Balance at June 30, 1984	$ 72,756	$ 3,290	$ 206,600	$ 1,436,066	$1,718,712

Table 6: Revenue Bonds Debt Service Requirements

Year Ending June 30	State Property Buildings Commission	Kentucky Housing Corporation	Pollution Abatement Authority	Kentucky Higher Education Student Loan Corporation	Kentucky School Building Authority	Turnpike Authority	Kentucky Development Finance Authority
1985	$ 41,592	$ 62,258	$ 4,649	$ 77,025	$ 5,935	$ 122,886	$ 32,478
1986	41,965	62,511	4,660	115,834	5,945	129,368	46,264
1987	41,977	62,568	4,679	69,256	5,944	129,241	32,754
1988	41,901	62,575	12,920	22,121	5,958	128,493	32,591
1989	41,463	62,518	4,043	22,016	5,964	127,497	36,790
Thereafter	645,668	1,167,706	53,442	76,985	90,844	2,120,306	458,228
Totals	$ 854,566	$ 1,480,136	$ 84,393	$ 383,237	$120,590	$ 2,757,791	$ 639,105

Year Ending June 30	University of Kentucky	University of Louisville	Eastern Kentucky University	Western Kentucky University	Murray State University	Morehead State University	Kentucky State University	Northern Kentucky University	Total
1985	$ 12,772	$ 10,129	$ 4,433	$ 3,028	$ 2,435	$ 2,487	$ 640	$ 2,870	$ 385,617
1986	20,120	10,250	4,434	3,027	2,436	2,496	635	2,869	452,814
1987	12,135	10,306	4,432	3,028	2,440	2,447	639	2,864	384,710
1988	12,148	10,309	4,391	3,029	2,436	2,476	637	2,868	344,853
1989	12,146	10,316	4,388	3,028	2,440	2,482	634	2,879	338,604
Thereafter	176,743	238,335	63,659	52,027	29,283	26,428	5,664	60,158	5,265,476
Totals	$ 246,064	$ 289,645	$ 85,737	$ 67,167	$ 41,470	$ 38,816	$ 8,849	$ 74,508	$7,172,074

Note 11- Segment Information - Segment financial information for the Commonwealth's Enterprise Funds for the year ended June 30, 1984, is presented below (expressed in thousands):

	State Parks	State Fair Board	Industries for the Blind	Horse Park	Center for the Arts	Total
Operating Revenues	$ 27,545	$ 11,202	$ 1,441	$2,794	$ 1,913	$ 44,895
Depreciation and Amortization Expense	3,056	2,159	31	140		5,386
Operating Income (Loss)	(14,643)	(541)	(447)	(329)	(1,057)	(17,017)
Operating Grants, Entitlements, and Shared Revenues					1,212	1,212
Operating Transfers:						
In	15,724	93	415	567		16,799
Out	(1,465)	(1,032)	(20)	(1)		(2,518)
Tax Revenues					534	534
Net Income (Loss)	(456)	(1,136)	(52)	240	155	(1,249)
Current Capital:						
Contributions						
Transfers	(317)					(317)
Fixed Assets:						
Additions	1,925	1,676	5	107	588	4,301
Deletions	555	124	7		1	687
Net Working Capital	592	(534)	(27)	273	(12)	292
Bonds and Other Long-Term Liabilities:						
Payable from Operating Revenues	82		3	4	424	513
Total Equity	60,527	73,432	1,077	1,696	162	136,894

Note 12 - Contingencies -

Litigation - The Commonwealth, its units and employees are parties to numerous legal proceedings many of which normally occur in governmental operations. The legal proceedings are not, in the opinion of the Attorney General, likely to have a material adverse impact on the Commonwealth's financial position.

In addition, the Commonwealth and its units are involved in certain other legal proceedings which, if decided adversely to the Commonwealth may require the Commonwealth to make material future expenditures for expanded services or capital facilities or may impair future revenue sources. It is neither possible to determine the outcome of these proceedings nor to estimate the possible effects adverse decisions may have on the future expenditures or revenue sources of the Commonwealth.

Federal Grants - The Commonwealth receives significant financial assistance from the U. S. Government in the form of grants and Federal revenue sharing entitlements. Entitlement to these resources is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable Federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. Any disallowances as a result of these audits become a liability of the Commonwealth. As of June 30, 1984, the Commonwealth estimates that no material liabilities will result from such audits.

Note 13 - Subsequent Events

The State Property and Building Commission issued:

(1) $32,640,000 of revenue bonds, dated September 1, 1984, with stated interest rates ranging from 9% to 10% due 1985-2004. The proceeds are to be used to:

(a) purchase and renovate a building and land. When renovated the building will provide space for approximately 1,000 employees of the Human Resources Cabinet, with an additional 40,000 square feet of space that will be available for lease by other state agencies; and

(b) construct and renovate facilities at the Central State Hospital in Louisville, Kentucky,

(2) $35,875,000 of revenue bonds, dated October 1, 1984, with stated interest rates from 7.4% to 8.25% due 1986-1990. The proceeds are to be used to:

(a) finance $8,769,057 of equipment being purchased pursuant to existing lease-purchase agreements;

(b) acquire $13,002,523 of budgeted information systems equipment, and

(c) acquire approximately $8,000,000 of equipment.

The Kentucky Local Correctional Facilities Construction Authority issued $32,310,000 of revenue bonds, dated October 15, 1984, with stated interest rates ranging from 6.25% to 10.375% due 1985-2014. The proceeds are to be used to construct, renovate, expand, and modernize county jails and related facilities.

The Kentucky Housing Corporation issued $100,000,000 of revenue bonds, dated October 15, 1984, with stated interest rates from 10.5% to 10.67% due 1986-2000. The proceeds are to be used to purchase certain mortgage loans on new or existing single-family dwellings. Each mortgage loan will be made to a person or family of lower or moderate income.

The Turnpike Authority of Kentucky issued $218,705,000 of Toll Road Revenue Refunding Bonds, dated October 15, 1984, with stated interest rates of 7% to 10.6% due 1986-1997. The proceeds are to be used to refund Toll Road Revenue Refunding Bonds, 1981 Series A, of which $222,160,000 remained outstanding as of June 30, 1984.

The Kentucky Higher Education Student Loan Corporation issued $41,000,000 of Insured Student Revenue Bonds dated October 15, 1984, with stated interest rates from 6.5% to 9.75%. The proceeds are to be used to provide a portion of the funds needed to pay and discharge the obligation of the 1983 Series A Bonds maturing on December 1, 1984.

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COMBINING AND INDIVIDUAL FUND STATEMENTS

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COMMONWEALTH OF KENTUCKY
BALANCE SHEET
GENERAL FUND
JUNE 30, 1984
(Expressed in Thousands)

Assets	
Cash and cash equivalents	$ 177,547
Receivables, net	234,029
Interfund receivables	502
Inventories	7,599
Total assets	$ 419,677
Liabilities and Fund Balance	
Liabilities:	
Warrants payable	$ 108,492
Accounts payable	113,614
Interfund payables	6,529
Deferred revenues	55,543
Total liabilities	284,178
Fund balance:	
Reserved for:	
Continued appropriations	5,920
Inventories	7,599
Unreserved:	
Undesignated	121,980
Total fund balance	135,499
Total liabilities and fund balance	$ 419,677

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

Revenues:	
Taxes	$2,320,324
Intergovernmental	4,249
Charges for services	15,743
Fines and forfeits	25,302
Interest and other investment income	32,263
Other	4,880
Total revenues	2,402,761
Expenditures:	
General government	127,597
Legislative and judicial	71,778
Commerce	20,395
Education and humanities	1,015,750
Energy	10,454
Human resources	392,452
Justice	60,799
Natural resources and environmental protection	23,441
Corrections	58,313
Public protection and regulation	25,985
Transportation	711
Total expenditures	1,807,681
Excess of revenues over (under) expenditures	595,080
Other financing sources (uses):	
Operating transfers out	(213,910)
Other financing sources (uses)	5,355
Increase (decrease) in inventories	2,669
Total other financing sources (uses)	(211,886)
Excess of revenues and other financing sources over (under) expenditures and other uses	383,194
Fund balance at July 1, 1983, as restated	90,170
Equity transfer in (out)	(337,865)
Fund balance at June 30, 1984	$ 135,499

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES, AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Budget	Actual	Variance favorable (unfavorable)
Revenues:			
Taxes	$ 2,259,439	$ 2,287,180	$ 27,741
Intergovernmental	3,400	3,266	(134)
Charges for services	16,850	15,798	(1,052)
Fines and forfeits	25,219	25,310	91
Interest and other investment income	35,300	31,850	(3,450)
Other	2,642	1,976	(666)
Total revenues	2,342,850	2,365,380	22,530
Expenditures:			
General government			
Revenue Cabinet	34,544	34,456	88
Commonwealth attorneys	7,278	7,216	62
County attorneys	7,693	7,627	66
Attorney General	4,656	4,516	140
Auditor of Public Accounts	2,236	1,895	341
Governor's office	2,028	1,924	104
Lieutenant Governor's office	442	440	2
General Assembly retirement	4	4	
Secretary of the Cabinet	248	218	30
Department for Local Government	3,678	3,632	46
Secretary of State - restoration of land grant books	44	41	3
Secretary of State - general operations	953	952	1
Department of the Treasury	1,171	1,114	57
Board of Elections	1,121	1,053	68
Personnel Board	360	336	24
Board of Proprietary Education	10	10	
Athletic Commission	65	65	
Council on Higher Education	4,730	4,507	223
Horse Council	23	23	
Eastern Kentucky University	33,922	33,922	
Kentucky State University	9,854	9,721	133
Morehead State University	20,673	20,673	
Murray State University	25,532	25,532	
Northern Kentucky University	20,221	20,221	
University of Kentucky	173,663	172,718	945
University of Louisville	92,886	91,948	938
Western Kentucky University	32,274	32,274	
Governor's Office of Program Administration	299	296	3
Department of Personnel	2,888	2,873	15
Capital Plaza Authority	1,372	1,372	
Higher Education Assistance Authority	7,218	7,218	
Financial Disclosure Review Commission	63	51	12
Office of the Secretary - Finance and Administration	2,488	2,371	117
Board of claims awards	256	255	1
Judgments	200	16	184
Prior year claims	500	277	223
Unredeemed checks refunded	105	89	16
Blanket employee bonds	49		49
Frankfort Planning Commission	1	1	
Frankfort Cemetery	3	3	
Special legislative claims	74	65	9
Public improvements	5	4	1
Police and firemen life insurance	75	75	
Employees retirement	63	63	
Social Security	70	70	
Worker's compensation	120	23	97
Governor's Office for Policy and Management	1,638	1,626	12
Department for Administration	3,771	3,623	148
Office of Historical Properties	44	41	3
Department of Facilities Management	6,346	6,263	83
Department of Information Systems	3,651	2,983	668
Local Government Economic Assistance	18,956	13,210	5,746
Area Development	2,910	2,910	
State planning	3		3
Kentucky Center for the Arts	2,935	2,935	
Capital construction	1,505	917	588
General obligation park bond	553	553	
General obligation bond-veterans bonus	7,847	7,847	
General purpose bonds of 1965	2,053	2,053	

	Budget	Actual	Variance favorable (unfavorable)
County costs - witnesses	120	88	32
County costs - special bailiff	20		20
County costs - sheriffs' fees	1,700	1,255	445
County costs - jailers' fees	12,572	12,552	20
County costs - county clerk tax bill	925	924	1
County costs - board of assessment/appeal	50	21	29
County costs - fugitive from justice	330	330	
County costs - jury	3,486	3,486	
County costs - sheriff expense allowance	432	431	1
County costs - premium on sheriffs' bonds	495	494	1
County costs - base court revenue	5,438	5,431	7
Total general government	573,938	562,133	11,805
Legislative and judicial			
General Assembly - legislative session	3,881	3,757	124
General Assembly - monthly expense and retirement contribution	2,635	2,615	20
General Assembly - interim committees	966	625	341
General Assembly - special services	1,112	974	138
General Assembly - legislative interns	87	36	51
Legislative Research Commission - general operations	7,333	7,197	136
Legislative Research Commission - data processing	794	789	5
Legislative Research Commission - facility improvement	79	76	3
Board of Ethics	41	6	35
Judicial Retirement	2,375	2,375	
Court of Justice - operation and administration	49,573	49,436	137
Court of Justice - local facility support	7,499	7,499	
Total legislative and judicial	76,375	75,385	990
Commerce			
Department of Agriculture	7,831	7,784	47
Kentucky State Fair Board	6,106	5,806	300
Kentucky Council on Agriculture	473	305	168
Breaks Interstate Park - administration	165	165	
Office of the Secretary	5,988	5,579	409
Tourism - Office of the Secretary	265	221	44
Department of Economic Development	5,914	5,840	74
Travel Development	1,113	1,087	26
Arts - Governor's challenge grant	1,228	1,228	
Department of the Arts	1,460	1,454	6
Kentucky Horse Park	1,868	1,742	125
Department of Parks	15,725	15,632	93
Total commerce	48,136	46,844	1,292
Education and humanities			
Commission on Deaf and Hearing Impaired	162	149	13
Commission on Human Rights	1,101	1,101	
Kentucky Oral History Commission	81	78	3
Kentucky Commission on Women	156	156	
Kentucky Heritage Council	379	379	
Department for the Blind	1,172	1,145	27
Education - local district health and life insurance	37,369	37,312	57
Education - administration and finance	15,992	15,656	336
Education - instructional services	7,002	6,706	296
Education - vocational education	42,731	42,609	122
Education - rehabilitative services	4,229	4,228	1
Education - general administration	10,971	10,013	958
Education - exceptional children	8,773	8,658	115
Education - power equalization	39,178	39,178	
Education - school foundation program	860,449	854,532	5,917
Kentucky Educational Television	7,445	7,431	14
Historical Society	1,397	1,373	24
Department for Libraries and Archives	8,045	8,044	1
Teachers' retirement system	119,013	119,013	
Kentucky School Building Authority	6,241	5,975	266
Total education and humanities	1,171,886	1,163,736	8,150
Energy			
Department of Administration	1,058	954	104
Department of Production and Utilization	890	785	105
Department of Research and Development	8,665	8,650	15
Demonstration projects	2,947	2,515	432
Total energy	13,560	12,904	656

	Budget	Actual	Variance favorable (unfavorable)
Human resources			
Office of Executive Policy and Support	10,631	10,315	316
Department for Health Services	103,590	103,526	64
Department for Employment Services	264	182	82
Department for Social Insurance - administration	32,298	32,053	245
Department for Social Insurance - benefits	198,723	198,331	392
Department for Social Services	42,023	40,128	1,895
Total human resources	387,529	384,535	2,994
Justice			
Military Affairs - disaster and emergency service - civil defense	2,012	1,975	37
Military Affairs - general operations	4,849	4,811	38
Justice administration	1,744	1,676	68
Department of State Police	57,974	57,893	81
Training - law enforcement foundation program	118	87	31
Department of Training	2,026	1,940	86
Total justice	68,723	68,382	341
Natural resources and environmental protection			
Environmental Quality Commission	77	59	18
Kentucky Nature Preserves Commission	174	174	
Administration	2,866	2,851	15
Department for Environmental Protection	8,150	8,088	62
Department for Natural Resources	6,811	6,757	54
Department for Surface Mining Reclamation and Enforcement	5,775	5,773	2
Total natural resources and environmental protection	23,853	23,702	151
Corrections			
Office of the Secretary	3,225	3,225	
Management	2,932	2,909	23
Community services	9,651	9,627	24
Adult institutions	45,486	45,450	36
Total corrections	61,294	61,211	83
Public protection and regulation			
Kentucky Quarter Horse and Appaloosa Commission	59	3	56
Registry of Election Finance	275	263	12
Board of Claims and Crime Victims Compensation Board	765	731	34
Board of Tax Appeals	205	196	9
Kentucky Harness Racing Commission	462	452	10
Public Service Commission	4,657	3,661	996
Kentucky State Racing Commission	393	393	
Department of Public Advocacy	6,388	6,388	
Office of the Secretary	270	267	3
Alcoholic Beverage Control Board	1,251	1,175	76
Professional firefighter foundation	1	1	
Department of Housing, Building and Construction	3,251	3,218	33
Department of Insurance	1,800	1,784	16
Department of Labor	723	723	
Department of Workplace Standards	663	652	11
Department for Mines and Minerals	5,885	5,882	3
Total public protection and regulation	27,048	25,789	1,259
Transportation			
General administration and support	433	429	4
Air	1,259	1,215	44
Rail	77	70	7
Public	566	561	5
Water	29	29	
Total transportation	2,364	2,304	60
Total expenditures	2,454,706	2,426,925	27,781
Excess of revenues over (under) expenditures	$ (111,856)	$ (61,545)	$ 50,311

See accompanying notes to combined financial statements.

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COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES BY SOURCE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

Revenues by Source	
Taxes:	
Sales and gross receipts	$ 877,307
Income:	
Individual	727,829
Corporation	198,359
Property	229,783
Coal severance	196,828
Licenses and privileges	46,154
Inheritance and estate	43,167
Miscellaneous	897
Total taxes	2,320,324
Intergovernmental	4,249
Charges for services	15,743
Fines and forfeits	25,302
Interest and other investment income	32,263
Other	4,880
Total revenues by source	$2,402,761

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
STATEMENT OF EXPENDITURES BY FUNCTION, CABINET, AND OBJECT
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

General government:	
Cabinet for General Government	
Personal services	$ 32,449
Utilities, rentals, and other services	5,151
Commodities and supplies	1,467
Grants and subsidies	4,516
Capital outlay	386
County costs	533
Other	1,333
Total cabinet for general government	45,835
Finance and Administration Cabinet	
Personal services	6,852
Utilities, rentals, and other services	887
Commodities and supplies	923
Grants and subsidies	18,794
Capital outlay	79
County costs	18,653
Other	1,107
Total finance and administration cabinet	47,295
Revenue Cabinet	
Personal services	27,856
Utilities, rentals, and other services	5,585
Commodities and supplies	276
Capital outlay	19
Other	731
Total revenue cabinet	34,467
Total general government	127,597
Legislative and judicial	
Personal services	52,331
Utilities, rentals, and other services	12,669
Commodities and supplies	2,312
Grants and subsidies	15
Capital outlay	924
Other	3,527
Total legislative and judicial	71,778
Commerce	
Commerce Cabinet	
Personal services	11,422
Utilities, rentals, and other services	2,556
Commodities and supplies	887
Grants and subsidies	2,500
Capital outlay	240
Other	528
Total commerce cabinet	18,133
Tourism Cabinet	
Personal services	1,022
Utilities, rentals, and other services	549
Commodities and supplies	85
Grants and subsidies	543
Capital outlay	28
Other	35
Total tourism cabinet	2,262
Total commerce	20,395
Education and humanities	
Personal services	54,823
Utilities, rentals, and other services	15,701
Commodities and supplies	3,603
Grants and subsidies	938,639
Capital outlay	1,904
Other	1,080
Total education and humanities	1,015,750

Energy	
Personal services	1,545
Utilities, rentals, and other services	431
Commodities and supplies	81
Grants and subsidies	7,804
Capital outlay	550
Other	43
Total energy	10,454
Human resources	
Personal services	102,624
Utilities, rentals, and other services	21,490
Commodities and supplies	5,870
Benefits	198,158
Grants and subsidies	56,933
Capital outlay	247
Other	1,334
Contingencies	5,796
Total human resoures	392,452
Justice	
Personal services	46,144
Utilities, rentals, and other services	4,423
Commodities and supplies	5,104
Grants and subsidies	236
Capital outlay	4,114
Other	778
Total justice	60,799
Natural resources and environmental protection	
Personal services	16,624
Utilities, rentals, and other services	2,839
Commodities and supplies	1,609
Grants and subsidies	1,437
Capital outlay	673
Other	259
Total natural resources and environmental protection	23,441
Corrections	
Personal services	39,495
Utilities, rentals, and other services	6,510
Commodities and supplies	2,602
Grants and subsidies	8,542
Capital outlay	153
Other	286
Contingencies	731
Total corrections	58,319
Public protection and regulation	
Public Protection and Regulation Cabinet	
Personal services	18,682
Utilities, rentals, and other services	2,447
Commodities and supplies	951
Grants and subsidies	365
Capital outlay	199
County costs	2,023
Other	526
Judgements	70
Total public protection and regulation cabinet	25,263
Labor Cabinet	
Personal services	586
Utilities, rentals, and other services	73
Commodities and supplies	4
Capital outlay	11
Other	48
Total labor cabinet	722
Total public protection and regulation	25,985
Transportation	
Personal services	438
Utilities, rentals, and other services	92
Commodities and supplies	171
Other	10
Total transportation	711
Total expenditures	$1,807,681

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 1984
(Expressed in Thousands)

	Transportation	Federal	Agency Revenue	Other Special Revenue	Total June 30, 1984
Assets					
Cash and cash equivalents	$ 202,650	$ 81,140	$ 64,658	$ 561,990	$ 910,438
Cash with fiscal agents				2,941	2,941
Tolls in banks	476				476
Investments				26,800	26,800
Receivables, net	84,104	34,555	6,193	56,688	181,540
Interfund receivables	25,560	3,326	10,613	720	40,219
Inventories	24,048	2	4,432	193	28,675
Unamortized issuance cost				10,303	10,303
Restricted assets	775				775
Total assets	$ 337,613	$ 119,023	$ 85,896	$ 659,635	$1,202,167
Liabilities and Fund Balances					
Liabilities:					
Warrants payable	$ 34,333	$ 17,997	$ 10,903	$ 36,875	$ 100,108
Accounts payable	45,912	36,283	9,386	29,970	121,551
Interfund payables	9,469	9,919	3,632	56,062	79,082
Deferred revenues	23,162	16,752	9,817	6,111	55,842
Other current liabilities				313	313
Total liabilities	112,876	80,951	33,738	129,331	356,896
Fund balances:					
Reserved for:					
Encumbrances	12,401	4,207	3,563	2,101	22,272
Continued appropriations	13,758				13,758
Revenue bond retirement				1,000	1,000
Loans				5,328	5,328
Investments				7,711	7,711
Inventories	24,048	2	4,432	193	28,675
Compensating balance with depositories	775				775
Unreserved:					
Undesignated	173,755	33,863	44,163	513,971	765,752
Total fund balances	224,737	38,072	52,158	530,304	845,271
Total liabilities and fund balances	$ 337,613	$ 119,023	$ 85,896	$ 659,635	$1,202,167

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Transportation	Federal	Agency Revenue	Other Special Revenue	Total June 30, 1984
Revenues:					
Taxes	$ 358,842	$	$	$ 23,180	$ 382,022
Licenses, fees, and permits	53,062	199	17,300	2,043	72,604
Intergovernmental	219,913	932,521	503	1,842	1,154,779
Charges for services	6,571		52,179	28,136	86,886
Fines and forfeits	89	1	436	4,456	4,982
Interest and other investment income	18,321		3,054	39,824	61,199
Other	23,252	98	13,862	17,590	54,802
Total revenues	680,050	932,819	87,334	117,071	1,817,274
Expenditures:					
Current:					
General government		17,085	8,696	36,253	62,034
Legislative and judicial		37	81	97	215
Commerce		10,844	11,894	113	22,851
Education and humanities		194,578	18,545	345	213,468
Energy		691	213	290	1,194
Human resources		684,657	44,616	336	729,609
Justice		2,092	1,774	7,631	11,497
Natural resources and environmental protection		18,728	3,543	1,307	23,578
Corrections		207	76	80	363
Public protection and regulation		4,266	8,417	12,654	25,337
Transportation	700,994		1,203		702,197
Debt service:					
Principal retirement				140	140
Interest and fiscal charges				19,992	19,992
Total expenditures	700,994	933,185	99,058	79,238	1,812,475
Excess of revenues over (under) expenditures	(20,944)	(366)	(11,724)	37,833	4,799
Other financing sources (uses):					
Operating transfers in	18,279	10,147	36,837	8,863	74,126
Operating transfers out	(65,952)	(6,882)	(2,248)	(144,501)	(219,583)
Other financing sources (uses)	69,405	(3,639)	(2,656)	103,050	166,160
Proceeds from sale of bonds				296,724	296,724
Increase (decrease) in inventories	20,286	2	3,288	35	23,611
Total other financing sources (uses)	42,018	(372)	35,221	264,171	341,038
Excess of revenues and other financing sources over (under) expenditures and other financing uses	21,074	(738)	23,497	302,004	345,837
Fund balances at July 1, 1983, as restated	203,663	39,041	47,267	255,211	545,182
Equity transfer in (out)		(231)	(18,606)	(26,911)	(45,748)
Fund balances at June 30, 1984	$ 224,737	$ 38,072	$ 52,158	$ 530,304	$ 845,271

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

Revenues:	
Taxes	$ 358,842
Licenses, fees, and permits	53,062
Intergovernmental	219,913
Charges for services	6,571
Fines and forfeits	89
Interest and other investment income	18,321
Other	23,252
Total revenues	680,050
Expenditures:	
Transportation:	
General administration and support	34,474
Air Transportation	209
Rail Transportation	175
Public Transportation	1,805
Highways	664,331
Total expenditures	700,994
Excess of revenues over (under) expenditures	(20,944)
Other financing sources (uses):	
Operating transfers in	18,279
Operating transfers out	(65,952)
Other financing sources (uses)	69,405
Increase (decrease) in inventories	20,286
Total other financing sources (uses)	42,018
Excess of revenues and other financing sources over (under) expenditures and other financing uses	21,074
Fund balance at July 1, 1983, as restated	203,663
Fund balance at June 30, 1984	$ 224,737

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)
TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Budget	Actual	Variance favorable (unfavorable)
Revenues:			
Taxes	$ 325,575	$ 359,510	$ 33,935
Licenses, fees, and permits	74,731	53,041	(21,690)
Intergovernmental		209,589	209,589
Charges for services	4,336	6,340	2,004
Fines and forfeits	150	89	(61)
Interest and other investment income	14,300	13,686	(614)
Other	23,271	22,825	(446)
Total revenues	442,363	665,080	222,717
Expenditures:			
Transportation:			
General administration and support	36,597	33,788	2,809
Air transportation	115	256	(141)
Rail transportation	696	175	521
Public transportation	1,596	1,774	(178)
Highways	781,573	736,859	44,714
Total expenditures	820,577	772,852	47,725
Excess of revenues over (under) expenditures	$ (378,214)	$ (107,772)	$ 270,442

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FEDERAL FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Budget	Actual	Variance favorable (unfavorable)
Revenues:			
Licenses, fees, and permits	$	$ 199	$
Intergovernmental		930,705	
Charges for services		41	
Other		3,766	
Total revenues		934,711	
Expenditures:			
General Government			
Attorney General	1,443	385	1,058
Auditor of Public Accounts	130	130	
Department for Local Government	37,734	14,797	22,937
Eastern Kentucky University	2,145		2,145
Kentucky State University	3,809		3,809
Morehead State University	1,530		1,530
Murray State University	4		4
Northern Kentucky University	592		592
University of Kentucky	36,888		36,888
University of Louisville	11,106		11,106
Western Kentucky University	2,318		2,318
Kentucky Higher Education Assistance Authority	1,237	738	499
Flood Control Advisory Commission	11	11	
Department of Facilities Management	95	47	48
Total general government	99,042	16,108	82,934
Legislative and judicial			
Administrative Office of the Courts	58	38	20
Total legislative and judicial	58	38	20
Commerce			
Department of Agriculture	2,821	1,645	1,176
Department of Economic Development	30,639	8,924	21,715
Department of the Arts	500	438	62
Department of Fish and Wildlife Resources	1,624	995	629
Total commerce	35,584	12,002	23,582
Education and humanities			
Commission on Human Rights	107	30	77
Kentucky Heritage Council	1,250	701	549
State Advisory Council for Vocational Education	113	97	16
Department for the Blind	2,903	2,898	5
Education - exceptional children	17,828	17,700	128
Education - instructional services	399	284	115
Education - administration	136,971	131,002	5,969
Education - finance	1,367	1,012	355
Education - vocational education	18,882	17,283	1,599
Education - rehabilitative services	17,023	15,969	1,054
Kentucky Educational Television	31	31	
Historical Society	6	5	1
Department for Libraries and Archives	2,709	2,051	658
Total education and humanities	199,589	189,063	10,526
Energy			
Department of Production and Utilization	1,909	842	1,067
Total energy	1,909	842	1,067
Human Resources			
Executive Office of Support Services	12,178	11,649	529
Department for Health Services	53,000	51,185	1,815
Department for Employment Services	75,240	59,497	15,743
Department for Social Insurance - administration	75,968	70,506	5,462
Department for Social Insurance - benefits	659,272	435,512	223,760
Department for Social Services	68,362	67,831	531
Total human resources	944,020	696,180	247,840

	Budget	Actual	Variance favorable (unfavorable)
Justice			
Military Affairs - general operations	1,400	519	881
Military Affairs - disaster and emergency service-civil defense	2,500	2,038	462
Justice - Office of Administration	1,006	1,002	4
Department of State Police	3,293	1,779	1,514
Total justice	8,199	5,338	2,861
Natural resources and environmental protection			
Environmental Quality Commission	2		2
Kentucky Nature Preserves Commission	18	6	12
Department for Environmental Protection	5,182	5,097	85
Maxey Flats	540	109	431
Department for Natural Resources	3,083	2,748	335
Department for Surface Mining, Reclamation and Enforcement	12,277	10,734	1,543
Total natural resources and environmental protection	21,102	18,694	2,408
Corrections			
Management	250	218	32
Total corrections	250	218	32
Public protection and regulation			
Kentucky Occupational Safety and Health Review Commission	295	201	94
Public Service Commission	167	92	75
Department for Public Advocacy	225	213	12
Department of Housing, Building and Construction	74	41	33
Department of Labor	3,700	1,651	2,049
Department of Workplace Standards	2,024	1,471	553
Department for Mines and Minerals	850	733	117
Total public protection and regulation	7,335	4,402	2,933
Transportation			
Air Transportation	2,512		2,512
Rail Transportation	480		480
Public Transportation	2,225		2,225
Highways	211,300		211,300
Total transportation	216,517		216,517
Total expenditures	1,533,605	942,885	590,720
Excess of revenues over (under) expenditures	$	$ (8,174)	$

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)
BUDGETARY TRUST AND AGENCY FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Budget	Actual	Variance favorable (unfavorable)
Revenues:			
Taxes	$	$ 81,224	$
Licenses, fees, and permits		19,469	
Intergovernmental		9,356	
Charges for services		459,462	
Fines and forfeits		4,895	
Interest and other investment income		34,672	
Other		98,710	
Total revenues		707,788	
Expenditures:			
General government			
Revenue Cabinet	250	189	61
Attorney General	1,544	1,108	436
Auditor of Public Accounts	1,122	1,034	88
Kentucky Retirement Systems	1,260	1,197	63
Department for Local Government	1,830	1,177	653
Department of the Treasury	165	96	69
Board of Accountancy	227	208	19
Board of Auctioneers	99	98	1
Board of Barbering	122	122	
Board of Chiropractic Examiners	42	33	9
Board of Dentistry	246	222	24
Board of Elections	120	120	
Board of Embalmers and Funeral Home Directors	102	73	29
Board of Examiners and Registration of Architects	83	48	35
Board of Examiners and Registration of Landscape Architects	14	13	1
Board of Examiners of Psychology	22	20	2
Board of Hairdressers and Cosmetologists	426	341	85
Board of Licensing Hearing Aid Dealers and Fitters	11	8	3
Board of Licensure for Nursing Home Administrators	42	37	5
Board of Medical Licensure	425	392	33
Board of Nursing	713	680	33
Board of Ophthalmic Dispensers	11	10	1
Board of Optometric Examiners	41	32	9
Personnel Board	35	35	
Board of Pharmacy	257	250	7
Board of Physical Therapists	41	32	9
Board of Podiatry	4	3	1
Board of Proprietary Education	44	37	7
Board of Registration for Professional Engineers and Land Surveyors	253	245	8
Board of Speech Pathology and Audiology	10	9	1
Board of Veterinary Examiners	77	69	8
Real Estate Commission - education	736	457	279
Real Estate Commission - operations	395	362	33
Horse Council	18	5	13
Eastern Kentucky University	29,697	29,697	
Kentucky State University	8,500	8,500	
Morehead State University	13,379	13,379	
Murray State University	23,585	23,585	
Northern Kentucky University	12,567	12,567	
University of Kentucky	163,097	163,097	
University of Louisville	29,167	29,167	
Western Kentucky University	24,137	24,137	
Department of Personnel	2,296	1,591	705
Campbell County fees	1,138	1,021	117
Daviess County fees	1,233	1,069	164

	Budget	Actual	Variance favorable (unfavorable)
Fayette County fees	5,032	3,021	2,011
Jefferson County fees	7,943	10,115	(2,172)
Kenton County fees	1,857	1,681	176
Pike County fees	1,168	1,158	10
Capital Plaza Authority	2,189	389	1,800
Commonwealth Credit Union	350	13	337
Employees Deferred Compensation System	123	107	16
Kentucky Higher Education Assistance Authority	12,730	11,739	991
State Office for Social Security	377	355	22
Finance - Office of the Secretary	687	360	327
Department for Administration	8,979	6,515	2,464
Office of Governmental Services Center	1,054	786	268
Department of Facilities Management	24,132	20,399	3,733
Department of Information Systems	21,500	20,410	1,090
Total general government	407,704	393,620	14,084
Commerce			
Department of Agriculture	1,742	1,450	292
Kentucky State Fair Board	12,852	11,466	1,386
Quarter Horse and Appaloosa Commission	50	1	49
Kentucky Council on Agriculture	12	4	8
Department of Economic Development	189	9	180
Department of the Arts	155	150	5
Kentucky Development Finance Authority - industrial loans administration	8,871	556	8,315
Department of Fish and Wildlife Resources	16,439	10,415	6,024
Kentucky Horse Park	3,043	2,533	510
Department of Parks	36,087	25,858	10,229
Total commerce	79,440	52,442	26,998
Education and humanities			
Commission on Deaf and Hearing Impaired	5		5
Kentucky Oral History Commission	5		5
Kentucky Commission on Women	12	10	2
Kentucky Heritage Council	6	6	
Education and humanities - Office of the Secretary	100		100
Department for the Blind	2,667	1,541	1,126
Education - exceptional children	358	334	24
Education - administration	2,664	1,911	753
Education - vocational education	17,190	15,510	1,680
Kentucky Educational Television	305	134	171
Kentucky Historical Society	365	255	110
Department for Libraries and Archives	454	317	137
Total education and humanities	24,131	20,018	4,113
Energy			
Board of Tobacco Research	58		58
Management	130	38	92
Demonstration projects	188	166	22
Total energy	376	204	172
Human resources			
Executive Office of Support Services	6,980	5,636	1,344
Department for Health Services	41,032	28,837	12,195
Department for Manpower Services	6,809	4,383	2,421
Department for Social Insurance	308	119	189
Department for Social Insurance - benefits	2,775	2,076	699
Department for Social Services	5,373	4,714	659
Total human resources	63,277	45,770	17,507

	Budget	Actual	Variance favorable (unfavorable)
Justice			
Military Affairs - disaster and emergency service - civil defense	1,000	193	807
Department of State Police	246	46	200
Department of Training	9,504	9,449	55
Total justice	10,750	9,688	1,062
Natural resources and environmental protection			
Kentucky Nature Preserves Commission	54	4	50
Office of the Secretary	41	4	37
Office of General Counsel	900	541	359
Department for Environmental Protection	1,177	813	364
Department for Natural Resources	2,189	2,028	161
Department for Surface Mining Reclamation and Enforcement	165	87	78
Total natural resources and environmental protection	4,526	3,477	1,049
Corrections			
Management	7,195	6,364	831
Total corrections	7,195	6,364	831
Public protection and regulation			
Board of Claims and Crime Victims Compensation Board	350	316	34
Kentucky Harness Racing Commission	1,278	993	285
Public Service Commission	10	6	4
Kentucky State Racing Commission	2,890	2,762	128
Department for Public Advocacy	78	76	2
Alcoholic Beverage Control Board	5	4	1
Department for Banking and Securities	2,550	2,464	86
Department of Housing, Building and Construction	11,947	9,436	2,511
Department of Insurance	1,974	1,295	679
Department of Labor	161,387	66,784	94,603
Department for Mines and Minerals	1,237	978	259
Total public protection and regulation	183,706	85,114	98,592
Transportation			
Office of the Secretary	1,413		1,413
Air Transportation	79	79	
Public Transportation	387	373	14
Highways	2,222	748	1,474
Total transportation	4,101	1,200	2,901
Total expenditures	785,206	617,897	167,309
Excess of revenues over (under) expenditures	$	$ 89,891	$

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
BALANCE SHEET
DEBT SERVICE FUND
JUNE 30, 1984
(Expressed in Thousands)

Assets	
Cash and cash equivalents	$ 66,220
Cash with fiscal agents	61,200
Investments	80,063
Receivables	896
Interfund receivables	36,383
Total assets	$ 244,762
Liabilities and Fund Balance	
Liabilities:	
Warrants payable	$ 57,162
Accounts payable	36,784
Other current liabilities	7,252
Total liabilities	101,198
Fund Balance:	
Reserved for:	
Revenue bond retirement	56,778
Unreserved:	
Designated for debt service	86,786
Total fund balance	143,564
Total liabilities and fund balance	$ 244,762

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

Revenues:	
Charges for services	$ 333
Interest and other investment income	10,810
Other	136
Total revenues	11,279
Expenditures:	
Principal retirement	116,109
Interest and fiscal charges	128,889
Total expenditures	244,998
Excess of revenues over (under) expenditures	(233,719)
Other financing sources (uses):	
Proceeds from sale of bonds	112,922
Operating transfers in	215,586
Total other financing sources (uses)	328,508
Excess of revenues and other financing sources over (under) expenditures and other financing uses	94,789
Fund balance at July 1, 1983, as restated	48,775
Fund balance at June 30, 1984	$ 143,564

See accompanying notes to combined financial statements.

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COMMONWEALTH OF KENTUCKY
BALANCE SHEET
CAPITAL PROJECTS FUND
JUNE 30, 1984
(Expressed In Thousands)

Assets	
Cash and cash equivalents	$ 90,416
Investments	
Receivables, net	16,712
Interfund receivables	2,232
Total assets	$ 109,360
Liabilities and Fund Balance	
Liabilities:	
Warrants payable	$ 12,183
Accounts payable	15,878
Interfund payables	89
Total liabilities	28,150
Fund balance:	
Reserved for:	
Encumbrances	32,201
Unreserved:	
Undesignated	49,009
Total fund balance	81,210
Total liabilities and fund balance	$ 109,360

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

Revenues:	
Intergovernmental	$ 12,553
Interest and other investment income	12,218
Other	76
Total revenues	24,847
Expenditures:	
Capital outlay:	
General government	21,206
Commerce	41,508
Education and humanities	10,326
Energy	571
Human resources	13,949
Justice	220
Natural resources and environmental protection	13,730
Corrections	8,790
Public protection and regulation	31
Transportation	166
Debt service:	
Principal retirement	
Interest and fiscal charges	
Total expenditures	110,497
Excess of revenues over (under) expenditures	(85,650)
Other financing sources (uses):	
Proceeds from sale of bonds	32,777
Operating transfers in	20,698
Operating transfers out	(9,182)
Other financing sources (uses)	303
Increase (decrease) in receivables	(1,664)
Total other financing sources (uses)	42,932
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(42,718)
Fund balance at July 1, 1983, as restated	204,326
Equity transfer in (out)	(80,398)
Fund balance at June 30, 1984	$ 81,210

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Budget	Actual	Variance favorable (unfavorable)
Revenues:			
Intergovernmental	$	$ 12,553	$
Interest and other investment income		9882	
Other		105	
Total revenues		22,540	
Expenditures:			
General government			
Board of Elections	50		50
Eastern Kentucky University	792	307	485
Kentucky State University	7,689	5,193	2,496
Morehead State University	2,417	590	1,827
Murray State University	3,016	817	2,199
Northern Kentucky University	5,120	2,773	2,347
University of Kentucky	35,465	16,924	18,541
University of Louisville	19,818	5,805	14,013
Western Kentucky University	753	230	523
Office of the Secretary - Finance and Administration	583	450	133
Governor's Office for Policy and Management	10,027	6,120	3,907
Department of Facilities Management	8,591	5,627	2,964
Department of Information Systems	13,385	11,098	2,287
Unredeemed checks refunded	58		58
Unallotted appropriations	8,562		8,562
Total general government	116,326	55,934	60,392
Commerce			
Kentucky State Fair Board	26,478	17,647	8,831
Office of the Secretary	26,475	23,103	3,372
Department of Fish and Wildlife Resources	2,314	1,129	1,185
Kentucky Horse Park	1,232	192	1,040
Department of Parks	3,852	2,432	1,420
Total commerce	60,351	44,503	15,848
Education and humanities			
Department for Education	6,473	2,486	3,987
Kentucky Educational Television	804	730	74
Department for Libraries and Archives	278	126	152
Kentucky School Building Authority	11,472	6,984	4,488
Total education and humanities	19,027	10,326	8,701
Energy			
Office of Administration	26	22	4
Department of Research and Development	766	549	217
Total	792	571	221
Human resources			
Office of Administrative Services	6,711	5,257	1,454
Department for Health Services	28,768	8,455	20,313
Department for Social Services	902	237	665
Total human resources	36,381	13,949	22,432

	Budget	Actual	Variance favorable (unfavorable)
Justice			
Military Affairs operations	3,831	1,650	2,181
Department of State Police	472	220	252
Total justice	4,303	1,870	2,433
Natural resources and environmental protection			
Kentucky Nature Preserves Commission	84	56	28
Department for Environmental Protection	3,468	707	2,761
Department for Natural Resources	15,273	12,394	2,879
Total natural resources and environmental protection	18,825	13,157	5,668
Corrections			
Department of Adult Correctional Institutions	22,012	8,706	13,306
Total corrections	22,012	8,706	13,306
Public protection and regulation			
Department of Insurance	48	31	17
Total public protection and regulation	48	31	17
Transportation			
Administration	573	166	407
Total transportation	573	166	407
Total expenditures	278,638	149,213	129,425
Excess of revenues over (under) expenditures	$	$ (126,673)	$

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
ENTERPRISE FUNDS
JUNE 30, 1984
(Expressed in Thousands)

	State Parks	State Fair Board	Industries for the Blind	Horse Park	Ky. Center for the Arts	Total June 30, 1984
Assets						
Current assets:						
Cash and cash equivalents	$ 10,012	$ 2,124	$ 159	$ 1,115	$ 85	$ 13,495
Receivables, net	338	630	193	51	126	1,338
Interfund receivables	427	7	14	20		468
Inventories	2,236	92	151	339	67	2,885
Other					33	33
Total current assets	13,013	2,853	517	1,525	311	18,219
Other assets:						
Deferred charges	29	235		2		266
Restricted assets					23	23
Total other assets	29	235		2	23	289
Fixed assets:						
Land	28,362	11,028	50	64		40,504
Buildings and improvements	45,751	74,125	988	223	321	121,408
Machinery and equipment	12,588	5,854	144	959	269	19,814
Construction in progress					21	21
Less accumulated depreciation	(36,086)	(19,649)	(461)	(738)	(22)	(56,956)
Total fixed assets, net	51,615	71,358	721	508	589	124,791
Total assets	$ 64,657	$ 74,446	$ 1,238	$ 2,035	$ 923	$ 143,299
Liabilities and Fund Equity						
Liabilities:						
Current liabilities						
Warrants payable	$ 74	$ 92	$ 12	$ 64	$	$ 242
Accounts payable	2,617	538	140	248	266	3,804
Interfund payables	506	29		16		551
Current portion of long-term debt					51	51
Current portion of lease-purchase agreements	31		1	2		34
Deferred revenues	820	360	5	5	5	1,195
Other					15	15
Total current liabilities	4,048	1,014	158	335	337	5,892
Long-term liabilities						
Notes payable					424	424
Lease-purchase agreements	82		3	4		89
Total long-term liabilities	82		3	4	424	513
Total liabilities	4,130	1,014	161	339	761	6,405
Fund equity:						
Retained earnings:						
Unreserved	60,527	73,432	1,077	1,696	162	136,894
Total fund equity	60,527	73,432	1,077	1,696	162	136,894
Total liabilities and fund equity	$ 64,657	$ 74,446	$ 1,238	$ 2,035	$ 923	$ 143,299

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	State Parks	State Fair Board	Industries for the Blind	Horse Park	Ky. Center for the Arts	Total June 30, 1984
Operating revenues:						
Charges for services	$ 27,325	$ 11,167	$ 1,441	$ 2,696	$ 1,355	$ 43,984
Interest and other investment income	113				24	137
Other	107	35		98	534	774
Total operating revenues	27,545	11,202	1,441	2,794	1,913	44,895
Operating expenses:						
Personal services	$ 21,687	6,276	860	1,484		30,307
Utilities, rentals, and other services	6,700	2,269	250	553	2,944	12,716
Commodities and supplies	10,360	507	744	925		12,536
Grants and subsidies	25	450				475
Depreciation and amortization	3,056	2,159	31	140		5,386
Other	360	82	3	21	26	492
Total operating expenses	42,188	11,743	1,888	3,123	2,970	61,912
Operating income (loss)	(14,643)	(541)	(447)	(329)	(1,057)	(17,017)
Nonoperating revenues (expenses)	(72)	339		3	1,212	1,482
Income (loss) before operating transfers	(14,715)	(202)	(447)	(326)	155	(15,535)
Operating transfers in	15,724	93	415	567		16,799
Operating transfers out	(1,465)	(1,032)	(20)	(1)		(2,518)
Other financing sources (uses)		5				5
Net income (loss)	(456)	(1,136)	(52)	240	155	(1,249)
Retained earnings at July 1, 1983, as restated	61,300	74,568	1,129	1,456	7	138,460
Equity transfers in (out)	(317)					(317)
Retained earnings at June 30, 1984	$ 60,527	$ 73,432	$ 1,077	$ 1,696	$ 162	$ 136,894

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	State Parks	State Fair Board	Industries for the Blind	Horse Park	Ky. Center for the Arts	Total June 30, 1984
Sources of working capital:						
Operations:						
Net income (loss)	$ (456)	$ (1,136)	$ (52)	$ 240	$ 155	$ (1,249)
Items not requiring working capital:						
Depreciation and amortization	3,056	2,159	31	140	22	5,408
Working capital provided by operations	2,600	1,023	(21)	380	177	4,159
Proceeds from fixed asset dispositions	69					69
Other	173	119			500	792
Total sources of working capital	2,842	1,142	(21)	380	677	5,020
Uses of working capital:						
Acquisition of fixed assets	1,933	1,676	5	106	613	4,333
Decrease in long-term debt			1	1	76	78
Equity transfers out	317					317
Total uses of working capital	2,250	1,676	6	107	689	4,728
Net increase (decrease) in working capital	$ 592	$ (534)	$ (27)	$ 273	$ (12)	$ 292
Elements of net increase (decrease) in working capital:						
Cash and cash equivalents	$ 4,209	$ (84)	$ 61	$ 623	$ 29	$ 4,838
Receivables	(3,023)	93	(11)	(417)	83	(3,275)
Interfund receivables	426	(35)	10	20	(56)	365
Inventories	23	(52)	(21)	8	67	25
Other assets	29	235		2		266
Warrants payable	(48)	(88)	(12)	(63)	(900)	(1,111)
Accounts payable	321	(214)	(48)	121	826	1,006
Interfund payables	(506)	(29)		(16)		(551)
Deferred revenues	(819)	(360)	(6)	(5)	(10)	(1,200)
Current portion of long-term debt					(51)	(51)
Current portion of lease-purchase agreement	(20)					(20)
Net increase (decrease) in working capital	$ 592	$ (534)	$ (27)	$ 273	$ (12)	$ 292

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
JUNE 30, 1984
(Expressed in Thousands)

	Computer Services	Central Stores	Telecom-munications	Prison Industries	Central Printing	Property Management	Total June 30, 1984
Assets							
Current assets:							
Cash and cash equivalents	$ 3,834	$ 517	$ 2,246	$ 1,098	$ 112	$ 622	$ 8,429
Receivables, net	324			48			372
Interfund receivables	6,692		16	392	130	461	7,691
Inventories	64	721		1,103	325	142	2,355
Total current assets	10,914	1,238	2,262	2,641	567	1,225	18,847
Fixed assets:							
Land		38	356	1,176		298	1,868
Buildings and improvements	5,514	547	1,543	1,579		241	9,424
Machinery and equipment	9,004	63	12,572	3,066	1,530	457	26,692
Less accumulated depreciation	(9,059)	(254)	(4,146)	(2,588)	(918)	(248)	(17,213)
Total fixed assets, net	5,459	394	10,325	3,233	612	748	20,771
Total assets	$ 16,373	$ 1,632	$ 12,587	$ 5,874	$ 1,179	$ 1,973	$ 39,618
Liabilities and Fund Equity							
Liabilities:							
Current liabilities:							
Warrants payable	$ 3,160	$ 97	$ 438	$ 51	$ 26	$ 18	$ 3,790
Accounts payable	2,247	196	1,042	442	99	278	4,304
Interfund payables	790	2	6	11	120	516	1,445
Current portion of lease-purchase agreements			13		5		18
Deferred revenues	1,857						1,857
Total current liabilities	8,054	295	1,499	504	250	812	11,414
Long-term liabilities:							
Lease-purchase agreements			24				24
Total long-term liabilities			24				24
Total liabilities	8,054	295	1,523	504	250	812	11,438
Fund equity:							
Contributed capital	3,624						3,624
Retained earnings:							
Unreserved	4,695	1,337	11,064	5,370	929	1,161	24,556
Total fund equity	8,319	1,337	11,064	5,370	929	1,161	28,180
Total liabilities and fund equity	$ 16,373	$ 1,632	$ 12,587	$ 5,874	$ 1,179	$ 1,973	$ 39,618

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Computer Services	Central Stores	Telecom-munications	Prison Industries	Central Printing	Property Management	Total June 30, 1984
Operating revenues:							
Charges for services	$ 16,851	$ 3,696	$ 11,495	$ 5,820	$ 2,363	$ 8,830	$ 49,055
Other			2	1		15	18
Total operating revenues	16,851	3,696	11,497	5,821	2,363	8,845	49,073
Operating expenses:							
Personal services	12,923	285	1,280	1,855	1,448	6,137	23,928
Utilities, rentals, and other services	3,884	137	9,864	398	480	5,696	20,459
Commodities and supplies	441	3,234	458	2,975	737	802	8,647
Grants and subsidies				598			598
Depreciation and amortization	2,278	14	1,053	225	143	51	3,764
Other	60		73	20	3	51	207
Total operating expenses	19,586	3,670	12,728	6,071	2,811	12,737	57,603
Operating income (loss)	(2,735)	26	(1,231)	(250)	(448)	(3,892)	(8,530)
Nonoperating revenues (expenses)	3,627	24		(3)	(59)		3,589
Income (loss) before operating transfers	892	50	(1,231)	(253)	(507)	(3,892)	(4,941)
Operating transfers in	2,983		1,135			4,005	8,123
Operating transfers out	(2,363)	(26)		(50)			(2,439)
Other financing sources	318						318
Other financing uses	(52)						(52)
Net income (loss)	1,778	24	(96)	(303)	(507)	113	1,009
Retained earnings at July 1, 1983, as restated	7,341	1,513	12,011	5,673	1,436	1,048	29,022
Equity transfers in (out)	(800)	(200)	(851)				(1,851)
Retained earnings at June 30, 1984	$ 8,319	$ 1,337	$ 11,064	$ 5,370	$ 929	$ 1,161	$ 28,180

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Computer Services	Central Stores	Telecom-munications	Prison Industries	Central Printing	Property Management	Total June 30, 1984
Sources of working capital:							
Operations:							
Net income (loss)	$ 1,778	$ 24	$ (96)	$ (303)	$ (507)	$ 113	$ 1,009
Items not requiring working capital:							
Depreciation and amortization	2,278	14	1,053	225	143	51	3,764
Working capital provided by operations	4,056	38	957	(78)	(364)	164	4,773
Proceeds from fixed asset dispositions	11,769						11,769
Other	(3,624)	1		3	59		(3,561)
Total sources of working capital	12,201	39	957	(75)	(305)	164	12,981
Uses of working capital:							
Acquisition of fixed assets	6,673		163		25	33	6,894
Decrease in long-term debt	6,675		13	191	5		6,884
Equity transfers out	800	200	851				1,851
Total uses of working capital	14,148	200	1,027	191	30	33	15,629
Net increase (decrease) in working capital	$ (1,947)	$ (161)	$ (70)	$ (266)	$ (335)	$ 131	$ (2,648)
Elements of net increase (decrease) in working capital:							
Cash and cash equivalents	$ (2,370)	$ (72)	$ 593	$ (15)	$ (126)	$ 164	$ (1,826)
Receivables	10			48		(127)	(69)
Interfund receivables	5,198		16	(345)	36	461	5,366
Inventories	21	14		148	(144)	(8)	31
Other assets	(1)						(1)
Warrants payable	(1,860)	(97)	(412)	(46)	(26)	(14)	(2,455)
Accounts payable	(1,886)	(4)	(264)	(45)	18	171	(2,010)
Interfund payables	(309)	(2)	(3)	(11)	(120)	(516)	(961)
Deferred revenues	(1,857)						(1,857)
Current portion of lease-purchase agreements	1,107				27		1,134
Net increase (decrease) in working capital	$ (1,947)	$ (161)	$ (70)	$ (266)	$ (335)	$ 131	$ (2,648)

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
DEBT ISSUING AUTHORITIES
JUNE 30, 1984
(Expressed in Thousands)

	Kentucky Housing Corporation	Pollution Abatement Authority	Kentucky Higher Education Student Loan Corporation	Kentucky Development Finance Authority	Total June 30, 1984
Assets					
Current assets:					
Cash and cash equivalents	$ 3,133	$ 12,888	$ 423	$ 21,172	$ 37,616
Cash with fiscal agents			553		553
Investments	171,210		60,647	2,482	234,339
Receivables	286		6,967	440	7,693
Other	6		100	10	116
Total current assets	174,635	12,888	68,690	24,104	280,317
Other assets:					
Long-term investments	146				146
Long-term receivables	576,208	44,295	236,172	35,252	891,927
Deferred charges	10,307	1,872	4,011		16,190
Total other assets	586,661	46,167	240,183	35,252	908,263
Fixed assets:					
Land				1,022	1,022
Buildings and improvements	46				46
Machinery and equipment	90				90
Less accumulated depreciation	(69)				(69)
Total fixed assets	67			1,022	1,089
Total assets	$ 761,363	$ 59,055	$ 308,873	$ 60,378	$1,189,669
Liabilities and Fund Equity					
Liabilities:					
Current liabilities:					
Accounts payable	$ 23,895	$ 1,114	$	$	$ 25,009
Current portion of long-term debt	13,965				13,965
Deferred revenues	627	166		94	887
Payable from restricted assets			2,250		2,250
Other	3,192			46	3,238
Total current liabilities	41,679	1,280	2,250	140	45,349
Long-term liabilities:					
Notes payable				380	380
Bonds payable	644,961	49,780	294,770		989,511
Total long-term liabilities	644,961	49,780	294,770	380	989,891
Total liabilities	686,640	51,060	297,020	520	1,035,240
Fund equity:					
Retained earnings:					
Reserved for revenue bond retirement	61,977		11,478	59,858	133,313
Unreserved	12,746	7,995	375		21,116
Total fund equity	74,723	7,995	11,853	59,858	154,429
Total liabilities and fund equity	$ 761,363	$ 59,055	$ 308,873	$ 60,378	$1,189,669

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
DEBT ISSUING AUTHORITIES
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Kentucky Housing Corporation	Pollution Abatement Authority	Kentucky Higher Education Student Loan Corporation	Kentucky Development Finance Authority	Total June 30, 1984
Operating revenues:					
Charges for services	$ 3,470	$	$	$ 140	$ 3,610
Interest and other investment income	61,660	4,441	33,243	3,507	102,851
Other	43	160		47	250
Total operating revenues	65,173	4,601	33,243	3,694	106,711
Operating expenses:					
Personal services	269			286	555
Utilities, rentals, and other services	2,373			8	2,381
Commodities and supplies	40				40
Grants and subsidies	1,315				1,315
Depreciation and amortization	734	157	1,390		2,281
Interest	46,637	3,497	23,164	21	73,319
Other	1,173	38	4,005	201	5,417
Total operating expenses	52,541	3,692	28,559	516	85,308
Operating income (loss)	12,632	909	4,684	3,178	21,403
Nonoperating revenues (expenses)				38,373	38,373
Net income (loss)	12,632	909	4,684	41,551	59,776
Retained earnings at July 1, 1983	62,091	7,086	7,169	18,307	94,653
Retained earnings at June 30, 1984	$ 74,723	$ 7,995	$ 11,853	$ 59,858	$ 154,429

See accompanying notes to combined financial statements.

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COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
DEBT ISSUING AUTHORITIES
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Kentucky Housing Corporation	Pollution Abatement Authority	Kentucky Higher Education Student Loan Corporation	Kentucky Development Finance Authority	Total June 30, 1984
Sources of working capital:					
Operations:					
Net income (loss)	$ 12,632	$ 909	$ 4,684	$ 3,178	$ 21,403
Items not requiring working capital:					
Depreciation and amortization	734	153	1,390		2,277
Other	204				204
Working capital provided by operations	13,570	1,062	6,074	3,178	23,884
Sale of long-term investments	277				277
Proceeds from sale of bonds	19,920			39,973	59,893
Other			14,782		14,782
Total sources of working capital	33,767	1,062	20,856	43,151	98,836
Uses of working capital:					
Acquisition of fixed assets	4			762	766
Decrease in long-term debt	18,340	1,161	5,845	140	25,486
Increase in noncurrent receivables	30,893	6,291		12,125	49,309
Purchase of long-term investments			74,434		74,434
Equity transfers out				1,600	1,600
Other	520	138	1,800	2,138	4,596
Total uses of working capital	49,757	7,590	82,079	16,765	156,191
Net increase (decrease) in working capital	$ (15,990)	$ (6,528)	$ (61,223)	$ 26,386	$ (57,355)
Elements of net increase (decrease) in working capital:					
Cash and cash equivalents	$ 676	$ (6,509)	$ 418	$ 20,358	$ 14,943
Cash with fiscal agents			(851)		(851)
Investments	(17,184)		(63,190)	193	(80,181)
Receivables	(272)		1,893	260	1,881
Interfund receivables	1				1
Other assets	(1)			5	4
Accounts payable	(1,562)	(19)	507	5,568	4,494
Deferred revenues	585			2	587
Current portion of long-term debt	(600)				(600)
Other liabilities	2,367				2,367
Net increase (decrease) in working capital	$ (15,990)	$ (6,528)	$ (61,223)	$ 26,386	$ (57,355)

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
ALL TRUST AND AGENCY FUNDS
JUNE 30, 1984
(Expressed in Thousands)

	Expendable Trust Funds		
	Fire and Tornado Insurance	Unemployment Compensation	Other Expendable Trust
Assets			
Cash and cash equivalents	$ 7,099	$ 4,935	$ 35,692
Cash with fiscal agents			
Cash on deposit with Federal Government		10,018	
Investments net of amortization			
Accrued Investment Income			
Receivables, net	306	97,527	5,448
Interfund receivables		361	31
Prepaid benefits			
Inventories			25
Total assets	$ 7,405	$ 112,841	$ 41,196
Liabilities and Fund Balances			
Liabilities:			
Warrants payable	$ 2,077	$ 2,881	$ 500
Accounts payable	1,349	4,634	2,303
Interfund payables			191
Deferred revenues		29,142	3,860
Amounts held in custody for others			
Other liabilities		79,364	
Total liabilities	3,426	116,021	6,854
Fund balances:			
Reserved for:			
Investments	4,921		240
Inventories			14
Employee retirement systems			
Deferred compensation			
Unreserved:			
Undesignated	(942)	(3,180)	34,088
Total fund balances	3,979	(3,180)	34,342
Total liabilities and fund balances	$ 7,405	$ 112,841	$ 41,196

See accompanying notes to combined financial statements.

Nonexpendable Trust Funds			Agency Funds		Totals
Deferred Compensation System	Other Non-expendable Trust	Pension Trust	County Sinking	Special Deposit Trust	June 30, 1984
$ 260	$ 182	$ 206,846	$ 7,225	$ 77,517	$ 339,756
			702		702
					10,018
62,761		2,666,363			2,729,124
		47,968			47,968
456	2	11,559			115,298
					392
		3,752			3,752
					25
$ 63,477	$ 184	$2,936,488	$ 7,927	$ 77,517	$3,247,035
$	$	$ 7,813	$ 1,904	$ 27,557	$ 42,732
207		1,639			10,132
					191
					33,002
			6,023	49,960	55,983
		1,427			80,791
207		10,879	7,927	77,517	222,831
	108				5,269
					14
		2,925,609			2,925,609
63,270					63,270
	76				30,042
63,270	184	2,925,609			3,024,204
$ 63,477	$ 184	$2,936,488	$ 7,927	$ 77,517	$3,247,035

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
PENSION TRUST FUNDS
JUNE 30, 1984
(Expressed in Thousands)

	Pension Trust Funds							Total
	Kentucky Employes Retirement System	State Police Retirement System	Teachers' Retirement System	Judicial Retirement System	Legislators Retirement System	County Employes Retirement System	Kentucky Retirement System Insurance	June 30, 1984
Assets								
Cash and cash equivalents	$ 95,262	$ 9,421	$ 12,026	$ 28,285	$ 5,724	$ 52,491	$ 3,637	$ 206,846
Investments net of amortization	705,076	64,161	1,536,246	17,228	2,518	341,134		2,666,363
Accrued investment income	12,013	1,221	28,733			6,001		47,968
Receivables, net	3,303	231		10	2	7,047	966	11,559
Prepaid benefits			3,752					3,752
Total assets	$ 815,654	$ 75,034	$1,580,757	$ 45,523	$ 8,244	$ 406,673	$ 4,603	$2,936,488
Liabilities and Fund Balances								
Liabilities:								
Warrants payable				6,621	1,192			7,813
Accounts payable	1,100	53				486		1,639
Other liabilities			1,427					1,427
Total liabilities	1,100	53	1,427	6,621	1,192	486		10,879
Fund balances:								
Reserved for:								
Employee retirement system	814,554	74,981	1,579,330	38,902	7,052	406,187	4,603	2,925,609
Total fund balances	814,554	74,981	1,579,330	38,902	7,052	406,187	4,603	2,925,609
Total liabilities and fund balances	$ 815,654	$ 75,034	$1,580,757	$ 45,523	$ 8,244	$ 406,673	$ 4,603	$2,936,488

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Fire and Tornado Insurance	Unemployment Compensation	Other Expendable Trust	Totals June 30, 1984
Revenues:				
Taxes	$	$ 334,187	$ 54,808	$ 388,995
Intergovernmental		83,960		83,960
Charges for services	3,137		37	3,174
Interest and other investment income	769		857	1,626
Other		345	18,291	18,636
Total revenues	3,906	418,492	73,993	496,391
Expenditures:				
General government			9	9
Commerce			3	3
Education and humanities			3	3
Human resources		269,507	3,565	273,072
Public protection and regulation	2,348		5,753	8,101
Interest and fiscal charges		1,336		1,336
Total expenditures	2,348	270,843	9,333	282,524
Excess of revenues over (under) expenditures	1,558	147,649	64,660	213,867
Other financing sources (uses):				
Operating transfers in		1,336	169	1,505
Operating transfers out	(261)		(4,994)	(5,255)
Other financing sources (uses)			11	11
Total other financing sources (uses)	(261)	1,336	(4,814)	(3,739)
Excess of revenues and other financing sources over(under) expenditures and other financing uses	1,297	148,985	59,846	210,128
Fund balances at July 1, 1983, as restated	8,088	(152,165)	(25,504)	(169,581)
Equity transfers in (out)	(5,406)			(5,406)
Fund balances at June 30, 1984	$ 3,979	$ (3,180)	$ 34,342	$ 35,141

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
NONEXPENDABLE AND PENSION TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Nonexpendable Trust Funds		Pension Trust Funds		
	Deferred Compensation System	Other Non-expendable Trust	Kentucky Employes Retirement System	State Police Retirement System	Teachers' Retirement System
Operating revenues:					
Contributions	$ 15,521	$	$ 73,001	$ 6,142	$ 201,971
Interest and other investment income	7,059	26	68,498	6,261	147,093
Other			5,813	92	3,791
Total operating revenues	22,580	26	147,312	12,495	352,855
Operating expenses:					
Administrative Expenses	1,042		656	13	1,265
Other	251		198	19	15,559
Benefits	1,669		35,434	2,890	123,069
Refunds of contributions			4,686	117	5,936
Total operating expenses	2,962		40,974	3,039	145,829
Operating income (loss)	19,618	26	106,338	9,456	207,026
Income (loss) before operating transfers	19,618	26	106,338	9,456	207,026
Other financing sources (uses):					
Operating transfers in					
Operating transfers out			(1,880)	(233)	
Net income (loss)	19,618	26	104,458	9,223	207,026
Fund balances at July 1, 1983, as restated	43,652	445	710,096	65,758	1,372,304
Equity transfers in (out)		(287)			
Fund balances at June 30, 1984	$ 63,270	$ 184	$ 814,554	$ 74,981	$1,579,330

See accompanying notes to combined financial statements.

Pension Trust Funds				Total
Judicial Retirement System	Legislators Retirement System	County Employes Retirement System	Kentucky Retirement System Insurance	June 30, 1984
$ 508	$ 191	$ 41,620	$	$ 338,954
4,380	607	35,006	405	269,335
22		4,128		13,846
4,910	798	80,754	405	622,135
43	8	562	3,535	7,124
		96		16,123
1,461	83	13,066		177,672
		3,331		14,070
1,504	91	17,055	3,535	214,989
3,406	707	63,699	(3,130)	407,146
3,406	707	63,699	(3,130)	407,146
2,288	1,428		2,780	6,496
		(667)		(2,780)
5,694	2,135	63,032	(350)	410,862
33,208	4,917	343,155	4,953	2,578,488
				(287)
$ 38,902	$ 7,052	$ 406,187	$ 4,603	$2,989,063

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
NONEXPENDABLE TRUST AND PENSION TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Nonexpendable Trust Funds		Pension Trust Funds		
	Deferred Compensation System	Other Non-expendable Trust	Kentucky Employes Retirement System	State Police Retirement System	Teachers' Retirement System
Sources of working capital:					
Operations:					
Net income	$ 19,618	$ 26	$ 104,458	$ 9,223	$ 207,026
Items not requiring working capital:					
Depreciation and amortization			(5,053)	(438)	
Working capital provided by operations	19,618	26	99,405	8,785	207,026
Total sources of working capital	19,618	26	99,405	8,785	207,026
Uses of working capital:					
Purchase of long-term investments			114,155	12,820	197,917
Equity transfer out		287			
Total uses of working capital		287	114,155	12,820	197,917
Net increase (decrease) in working capital	$ 19,618	$ (261)	$ (14,750)	$ (4,035)	$ 9,109
Elements of net increase (decrease) in working capital:					
Cash and cash equivalents	$ (1,220)	$ (241)	$ (14,380)	$ (3,979)	$ 360
Investments	21,066	(22)			
Accrued Investment Income			142	(25)	4,511
Receivables	(353)	2	416	1	
Prepaid benefits					3,696
Other assets			(209)	(4)	
Accounts payable	125		(719)	(28)	542
Net increase (decrease) in working capital	$ 19,618	$ (261)	$ (14,750)	$ (4,035)	$ 9,109

See accompanying notes to the combined financial statements.

Pension Trust Funds				Total
Judicial Retirement System	Legislators Retirement System	County Employes Retirement System	Kentucky Retirement System Insurance	June 30, 1984
$ 5,694	$ 2,135	$ 63,032	$ (350)	$ 410,862
		(3,266)		(8,757)
5,694	2,135	59,766	(350)	402,105
5,694	2,135	59,766	(350)	402,105
5,713	2,116	59,491		392,212
				287
5,713	2,116	59,491		392,499
$ (19)	$ 19	$ 275	$ (350)	$ 9,606
$ 6,598	$ 1,209	$ 4	$ (1,054)	$ (12,703)
				21,044
		164		4,792
4	2	349	704	1,125
				3,696
		(167)		(380)
(6,621)	(1,192)	(75)		(7,968)
$ (19)	$ 19	$ 275	$ (350)	$ 9,606

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Balance July 1, 1983	Additions	Deductions	Balance June 30, 1984
COUNTY SINKING FUND				
Assets				
Cash and cash equivalents	$ 5,514	$ 41,227	$ 39,516	$ 7,225
Cash with fiscal agents	1,044	1,204	1,546	702
Total assets	$ 6,558	$ 42,431	$ 41,062	$ 7,927
Liabilities				
Warrants payable	$	$ 23,656	$ 21,752	$ 1,904
Amounts held in custody for others	6,558	2,523	3,058	6,023
Total liabilities	$ 6,558	$ 26,179	$ 24,810	$ 7,927
SPECIAL DEPOSIT TRUST FUND				
Assets				
Cash and cash equivalents	$ 42,721	$1,135,331	$1,100,535	$ 77,517
Total assets	$ 42,721	$1,135,331	$1,100,535	$ 77,517
Liabilities				
Warrants payable	$ 351	$ 704,571	$ 677,365	$ 27,557
Amounts held in custody for others	42,370	616,739	609,149	49,960
Total liabilities	$ 42,721	$1,321,310	$1,286,514	$ 77,517
ALL AGENCY FUNDS				
Assets				
Cash and cash equivalents	$ 48,235	$1,176,558	$1,140,051	$ 84,742
Cash with fiscal agents	1,044	1,204	1,546	702
Total assets	$ 49,279	$1,177,762	$1,141,597	$ 85,444
Liabilities				
Warrants payable	$ 351	$ 728,227	$ 699,117	$ 29,461
Amounts held in custody for others	48,928	619,262	612,207	55,983
Total liabilities	$ 49,279	$1,347,489	$1,311,324	$ 85,444

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
ALL UNIVERSITY AND COLLEGE FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Current	Fiduciary	Plant	Totals June 30, 1984
Assets				
Cash and cash equivalents	$ 92,565	$ 29,582	$ 73,783	$ 195,930
Cash with fiscal agents			4,434	4,434
Investments	6,613	108,348	38,921	153,882
Receivables (net)	27,381	52,119	1,939	81,439
Interfund receivables	26,678	1,773	12,500	40,951
Inventories	13,767			13,767
Land			30,833	30,833
Buildings and improvements			1,008,564	1,008,564
Machinery and equipment			214,763	214,763
Library books			90,204	90,204
Livestock			593	593
Construction in progress			17,964	17,964
Fixed assets		9,553		9,553
Other	1,780	2,036	2,864	6,680
Total Assets	$ 168,784	$ 203,411	$1,497,362	$ 1,869,557
Liabilities and Fund Equity				
Liabilities:				
Accounts payable	$ 31,735	$ 5,210	$ 9,356	$ 46,301
Interfund payables	25,803	15,140	8	40,951
Deposits and advance payments	8,356			8,356
Deferred revenue	9,469			9,469
Notes payable		575	8,149	8,724
Bonds payable			439,790	439,790
Amounts held in custody for others		6,574		6,574
Other	6,175			6,175
Total Liabilities	81,538	27,499	457,303	566,340
Fund equity:				
Investment in fixed assets		7,576	925,555	933,131
Fund balances:				
Reserved for:				
Encumbrances and contracts				
Other specific purposes	81,001	168,336	67,562	316,899
Unreserved:				
Designated for trust purposes				
Designated for universities and colleges	6,245		46,942	53,187
Total Fund Equity	87,246	175,912	1,040,059	1,303,217
Total Liabilities and Fund Equity	$ 168,784	$ 203,411	$1,497,362	$ 1,869,557

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
ALL UNIVERSITY AND COLLEGE CURRENT FUNDS
FOR THE YEAR ENDED June 30, 1984
(Expressed in Thousands)

	Unrestricted				Total
	General	Auxiliary Enterprises and Hospitals	Total	Restricted	June 30, 1984
Assets					
Cash and cash equivalents	$ 44,398	$ 3,532	$ 47,930	$ 44,635	$ 92,565
Investments	3,916	2,000	5,916	697	6,613
Receivables (net)	4,541	19,396	23,937	3,444	27,381
Interfund receivables	15,806	10,861	26,667	11	26,678
Inventories	8,918	4,735	13,653	114	13,767
Other	1,732		1,732	48	1,780
Total assets	$ 79,311	$ 40,524	$ 119,835	$ 48,949	$ 168,784
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	$ 25,120	$ 5,480	$ 30,600	$ 1,135	$ 31,735
Interfund payables	726	1,550	2,278	23,525	25,803
Deposits and advance payments	448	101	549	7,807	8,356
Deferred revenue	7,671	1,474	9,145	324	9,469
Other	1,643	4,449	6,092	83	6,175
Total liabilities	35,610	13,054	48,664	32,874	81,538
Fund balances:					
Allocated:					
Non-discretionary:					
Allocation for working capital	11,816	23,447	35,263		35,263
Allocation for encumbrances	4,152	2	4,154	8	4,162
Other allocations	15,182	3,096	18,278	15,962	34,240
Discretionary	7,035	301	7,336		7,336
Unallocated	5,516	624	6,140	105	6,245
Total fund balances	43,701	27,470	71,171	16,075	87,246
Total liabilities and fund balances	$ 79,311	$ 40,524	$ 119,835	$ 48,949	$ 168,784

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
ALL UNIVERSITY AND COLLEGE FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Loan	Endowment and Similar	Agency	Foundations	Total June 30, 1984
Assets					
Cash and cash equivalents	$ 4,855	$ 30	$ 3,410	$ 21,287	$ 29,582
Investments		21,805	626	85,917	108,348
Receivables	43,501		70	8,548	52,119
Interfund receivables	2	42	213	1,516	1,773
Fixed assets				9,553	9,553
Other	1			2,035	2,036
Total assets	$ 48,359	$ 21,877	$ 4,319	$ 128,856	$ 203,411
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	$ 36	$	$ 14	$ 5,160	$ 5,210
Interfund payables	91		52	14,997	15,140
Notes payable				575	575
Amounts held in custody for others			4,201	2,373	6,574
Total liabilities	127		4,267	23,105	27,499
Fund balances:					
U. S. Government grants refundable	38,939				38,939
Institutional funds-restricted	9,207			21,372	30,579
Endowment		6,747		15,843	22,590
Term endowment		437		6,820	7,257
Life income				917	917
Institutional funds-unrestricted	86		52	30,748	30,886
Quasi-endowment		14,693		22,475	37,168
Investments in fixed assets				7,576	7,576
Total fund balances	48,232	21,877	52	105,751	175,912
Total liabilities and fund balances	$ 48,359	$ 21,877	$ 4,319	$ 128,856	$ 203,411

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
ALL UNIVERSITY AND COLLEGE PLANT FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Unexpended	Renewal and Replacement	Retirement of Indebtedness	Investment in Plant	Total June 30, 1984
Assets					
Cash and cash equivalents	$ 70,719	$ 2,876	$ 188	$	$ 73,783
Cash with fiscal agents		15	4,419		4,434
Investments		4,686	34,235		38,921
Receivables (net)	1,272	28	639		1,939
Interfund receivables	11,161		1,339		12,500
Land				30,833	30,833
Buildings				983,178	983,178
Improvements other than buildings				25,386	25,386
Equipment				214,763	214,763
Library books				90,204	90,204
Livestock				593	593
Construction in progress	15,565			2,399	17,964
Other	2			2,862	2,864
Total assets	$ 98,719	$ 7,605	$ 40,820	$1,350,218	$ 1,497,362
Liabilities and Fund Equity					
Liabilities:					
Accounts payable	$ 1,082	$ 21	$ 1,353	$ 6,900	$ 9,356
Interfund payables	2	6			8
Notes payable	3,500			4,649	8,149
Bonds payable	25,508		1,168	413,114	439,790
Total liabilities	30,092	27	2,521	424,663	457,303
Fund equity:					
Net investment in plant				925,555	925,555
Fund balances:					
Restricted	25,882	4,121	37,559		67,562
Unrestricted	42,745	3,457	740		46,942
Total fund equity	68,627	7,578	38,299	925,555	1,040,059
Total liabilities and fund equity	$ 98,719	$ 7,605	$ 40,820	$1,350,218	$ 1,497,362

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
ALL UNIVERSITY AND COLLEGE-CURRENT FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Unrestricted	Restricted	Total June 30, 1984
Revenues:			
Tuition and fees	$ 105,983	$ 26	$ 106,009
Federal grants and contracts	13,589	43,563	57,152
State grants and contracts	758	5,986	6,744
Private gifts, grants and contracts	9,575	38,104	47,679
Endowment income	317	1,592	1,909
Sales and services of educational activities	14,434	11	14,445
Sales and services of auxiliary enterprises and hospitals	139,545	363	139,908
Other	13,169	389	13,558
Total current revenues	297,370	90,034	387,404
Expenditures and transfers:			
Educational and general:			
Instruction	236,933	15,425	252,358
Research	21,538	14,986	36,524
Public service	34,044	18,530	52,574
Academic support	42,857	7,698	50,555
Libraries	21,891	744	22,635
Student services	29,089	1,698	30,787
Institutional support	56,716	3,162	59,878
Student financial aid	10,010	29,985	39,995
Maintenance and operations	62,393	110	62,503
Total educational and general expenditures	515,471	92,338	607,809
Mandatory transfers for:			
Principal and interest	30,138	102	30,240
Loan fund matching	437	(114)	323
Non-mandatory transfers for plant fund	13,136	49	13,185
Total educational and general	559,182	92,375	651,557
Auxiliary enterprises and hospitals:			
Expenditures	138,316	1,057	139,373
Mandatory transfers for:			
Principal and interest	7,676		7,676
Renewals and replacement	29		29
Non-mandatory transfers for plant fund	6,204		6,204
Total auxiliary enterprises and hospitals	152,225	1,057	153,282
Total expenditures and transfers	711,407	93,432	804,839
Other transfers and additions (deductions):			
Excess of restricted receipts over transfers to revenues		3,890	3,890
Indirect costs recovered	5,041		5,041
Refunds to grantors		(503)	(503)
Transfers from (to) other funds	(2,584)	271	(2,313)
Transfers from State Treasury	416,542	3,478	420,020
Other	(4,298)	(4,961)	(9,259)
Net increase (decrease) in fund balance	664	(1,223)	(559)
Fund balance at July 1, 1983	70,507	17,298	87,805
Fund balance at July 1, 1984	$ 71,171	$ 16,075	$ 87,246

See accompanying notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
ALL UNIVERSITY AND COLLEGE FUDICIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Loan	Endowment and Similar	Foundations	Total June 30, 1984
Revenues and other additions:				
Restricted gifts and grants	$ 27	$ 3,181	$ 37,151	$ 40,359
Interest and other investment income	814	2	7,207	8,023
Governmental grants and contracts	1,079		48,124	49,203
Other	728	668	21,318	22,714
Total revenues and other additions	2,648	3,851	113,800	120,299
Expenditures and other deductions:				
Refunds to grantors	43			43
Administrative costs	451			451
Loan cancellations	670			670
Payment to beneficiaries			766	766
Other	688	12	53,361	54,061
Total expenditures and other deductions	1,852	12	54,127	55,991
Transfer among funds-additions (deductions)	244	8,926	(47,787)	(38,617)
Net increase (decrease) in fund balances	1,040	12,765	11,886	25,691
Fund balance at July 1, 1983	47,192	9,112	93,865	150,169
Fund balance at June 30, 1984	$ 48,232	$ 21,877	$ 105,751	$ 175,860

See accompaning notes to combined financial statements.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
ALL UNIVERSITY AND COLLEGE PLANT FUNDS
FOR THE YEAR ENDED JUNE 30, 1984
(Expressed in Thousands)

	Unexpended	Renewal and Replacements	Retirement of Indebtedness	Investment in Plant	Eliminations	Total June 30, 1984
Revenues and other addditions:						
Restricted gifts, grants, and contracts	$ 1,335	$ 9	$ 254	$ 3,272	$	$ 4,870
Interest and other investment income	1,356	440	3,953			5,749
Government grants	7,909		264			8,173
Expended for plant facilities				51,391	17,088	34,303
Retirement of indebtedness				10,891	10,891	
Other	8,905	24	82	565		9,576
Total revenues and other additions	19,505	473	4,553	66,119	27,979	62,671
Expenditures and other deductions:						
Expended for plant facilities	17,192	188			17,088	292
Retirement of indebtedness			10,891		10,891	
Interest payments			26,834			26,834
Return of state grants	99					99
Disposal of plant facilities				10,521		10,521
Notes issued				7,805		7,805
Other	2,388	470	62	2,187		5,107
Total expenditures and other deductions	19,679	658	37,787	20,513	27,379	50,658
Transfers among funds-additions (deductions)	22,460	1,155	36,659			60,274
Net increase (decrease) in fund equity	22,286	970	3,425	45,606		72,287
Fund equity at July 1, 1983	46,341	6,608	34,874	879,949		967,772
Fund equity at June 30, 1984	$ 68,627	$ 7,578	$ 38,299	$ 925,555		$ 1,040,059

See accompanying notes to combined financial statements.

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COMMONWEALTH OF KENTUCKY
REVENUE BY SOURCE - BUDGETARY BASIS
GENERAL, FEDERAL, TRANSPORTATION, CAPITAL PROJECTS, AND DEBT SERVICE FUNDS
FOR THE LAST NINE FISCAL YEARS
(Expressed in Thousands)

SOURCE	1976	1977	1978	1979	1980	1981	1982	1983	1984
Selected sales and gross receipts tax	$ 142,156	$ 161,767	$ 183,883	$ 193,517	$ 175,458	$ 174,227	$ 188,446	$ 235,754	$ 251,697
Sales and usage tax	409,193	463,841	531,189	599,296	607,604	630,472	682,432	700,407	754,320
Coal severance tax	91,078	112,597	127,761	152,610	176,368	178,760	237,882	201,815	191,845
Motor fuels tax	175,799	184,159	190,424	198,565	190,329	180,626	202,101	189,884	192,387
Motor vehicle registration	31,545	32,199	34,711	35,240	35,011	35,151	35,859	55,692	52,620
License and privilege taxes	18,611	19,173	22,825	26,713	29,441	47,458	55,565	63,664	84,699
Income tax - individual	292,546	338,160	389,912	456,288	505,832	573,091	600,823	647,170	710,474
Income tax - corporate	134,785	131,254	138,597	163,368	158,846	154,786	166,815	172,120	198,261
Property taxes	37,299	43,413	147,366	161,305	176,759	180,111	196,167	203,340	229,616
Inheritance and estate tax	16,424	19,229	21,843	22,727	23,295	28,322	29,606	38,317	42,831
Private grants	171	761	915	373	7,911	4,633	5,634	10,276	11,391
Federal grants	687,869	699,340	767,408	898,793	997,761	1,078,565	973,132	1,032,444	1,144,360
Departmental fees, sales,and rentals	7,717	9,729	13,444	16,151	16,804	18,646	20,422	28,285	21,374
Tolls	15,485	16,846	18,021	19,312	18,708	18,981	19,509	20,224	20,697
Investment income	36,158	33,629	36,132	53,708	72,689	65,882	85,009	50,903	42,096
Miscellaneous income	18,307	55,511	18,552	33,303	77,933	31,658	30,469	63,648	39,745
Totals	$2,115,143	$2,321,668	$2,642,983	$3,032,269	$3,270,749	$3,401,369	$3,529,871	$3,713,943	$3,988,413

SOURCE: Through 1983 Commonwealth of Kentucky Financial Report.
1984 Supplemental to Commonwealth of Kentucky Financial Report.

COMMONWEALTH OF KENTUCKY
EXPENDITURES BY FUNCTION - BUDGETARY BASIS
GENERAL, FEDERAL, TRANSPORTATION, CAPITAL PROJECTS, AND DEBT SERVICE FUNDS
FOR THE LAST NINE FISCAL YEARS
(Expressed in Thousands)

FUNCTION	1976	1977	1978	1979	1980	1981	1982	1983	1984
General government	$ 406,663	$ 471,277	$ 479,095	$ 519,155	$ 543,681	$ 535,598	$ 478,174	$ 510,741	$ 578,241
Legislative and judicial	10,431	14,682	30,525	45,813	50,942	55,380	61,389	66,576	75,423
Commerce	15,410	24,816	29,709	26,936	32,687	34,296	21,637	22,701	58,846
Education and humanities	536,737	583,551	774,326	881,642	983,958	1,040,940	1,050,906	1,249,029	1,352,799
Energy			1,631	7,488	7,981	12,642	18,785	9,664	13,746
Human resources	541,015	605,812	659,881	744,119	858,105	959,179	961,537	970,107	1,080,715
Justice	72,217	67,875	73,767	85,375	94,989	108,559	71,637	74,943	73,720
Natural resources and environmental protection	14,093	16,638	18,152	30,171	34,804	34,326	34,823	38,136	42,396
Corrections							45,379	47,905	61,429
Public protection and regulation	10,177	12,505	16,395	19,452	20,815	21,860	24,639	29,824	30,191
Transportation	462,690	436,310	498,830	666,411	782,236	731,372	619,452	616,023	775,156
Capital outlay	130,694	152,737	118,525	151,614	161,167	118,106	101,121	124,121	149,213
Debt service	41,522	91,418	71,453	121,305	124,543	128,594	149,520	196,431	274,966
Totals	$2,241,649	$2,477,621	$2,772,289	$3,299,481	$3,695,908	$3,780,852	$3,638,999	$3,956,201	$4,566,841

SOURCE: Through 1983 Commonwealth of Kentucky Financial Report.
1984 Supplemental to Commonwealth of Kentucky Financial Report.

COMMONWEALTH OF KENTUCKY
DESCRIPTION OF TAX SOURCES
ALL GOVERNMENTAL FUND TYPES
JUNE 30, 1984

SALES AND USE TAX - Kentucky became the 34th state to utilize the sales and use tax, enacting the tax on July 1, 1960; this tax applied to motor vehicle usage as well. Effective April 1, 1968, the tax rate was increased from 3% to 5%. For sales tax the rate is 5% of gross receipts; and for use tax the rate is 5% of sales price. House Bill 337 exempted grocery food from the tax, effective October 1, 1972.

COAL SEVERANCE - Kentucky's Coal Severance tax became effective April 1, 1972. It was expected to replace a major portion of the revenues lost as a result of exempting grocery food from sales tax. The rate was 4% of the gross value of coal mined in Kentucky or thirty cents per ton, whichever is greater. It was the first major severance tax among the states. Effective July 1, 1978, the rate was raised to 4.5% of the gross value of coal mined or fifty cents per ton, whichever is greater.

MOTOR FUELS - Kentucky was the fifth state to adopt a gasoline tax, with a one cent per gallon rate in 1920. By 1925, the rate had reached five cents a gallon. Effective April 1, 1948, the tax was raised to seven cents, with two-sevenths of the total set aside for rural and secondary roads. The administration of the motor fuels use tax was transferred from the Department of Revenue to the Department of Motor Transportation July 1, 1962. Effective July 1, 1972, the tax was increased to nine cents. Effective July 1, 1980, the rate was changed to 9% of the weighted average wholesale tank wagon price for sale in Kentucky.

MOTOR VEHICLE REGISTRATION - The 1936 General Assembly fixed a flat $4.50 registration fee (plus fifty cents for the County Clerk) for passenger cars. In 1938, a special $4.50 fee for the registration of farm trucks was enacted. In 1944, a special $4.50 fee for church busses, water-well drillers, and certain wreckers was provided. The 1964 General Assembly changed the truck licenses to a "gross weight" basis. Trucks with a gross weight of 18,000 pounds or less were licensed with a basic registration fee only. Trucks with a gross weight exceeding 18,000 pounds were required to pay an additional weight fee. In 1968, the fees for passenger cars, farm trucks and the lightest trucks were raised to $11.50, which are still presently in effect.

INDIVIDUAL INCOME TAX - Tax on individual income went into effect on income earned in 1936, producing its first revenue in 1936-37. The initial rates ranged from 2% on the first $3,000 of income, up to 5% on all over $5,000. In 1950, a tax rate of 6% was imposed on income in excess of $8,000. In 1954 Kentucky became the fourth state to adopt a withholding system. The 1954 law also adopted the federal definition of net income. At present the following rates are applied to net income: first $3,000 net income at 2%; next $1,000 at 3%; next $1,000 at 4%; next $5,000 at 5%; and, in excess of $8,000 at 6%.

CORPORATE INCOME TAX - The corporate income tax was enacted to first apply to 1936 income. The rate was 4% of net income assigned to Kentucky after deduction of federal income taxes. This rate was changed to 4.5% in 1950. In 1956, the rate was changed to 5% of the first $25,000 of taxable income, and 7% of all in excess thereof. Effective January 1, 1972, the federal deduction was removed. The state rate was reduced to 4% of the first $25,000, and 5.8% on the excess. Effective for taxable years beginning after December 31, 1981, net income is computed by the Internal Revenue Code in effect December 31, 1981, including the provisions of the Economic Recovery Tax Act of 1981. Tax rates beginning on January 1, 1980, are: first $25,000 at 3%; next $25,000 at 4%; next $50,000 at 5%; and excess over $100,000 at 6%. The rate of tax for business development corporations is 4.5% of total net income.

PROPERTY TAX - The most marked changes in taxation in the past 40 years have occurred in the property tax. Prior to 1934, the property tax had been the state's major source of revenue. During 1934, an attempt to remove the state tax on real estate was ruled unconstitutional. The tax was then reduced from thirty cents to five cents per $100 assessed value. The 1965 Special Session of the legislature reduced the rate on real estate from 5¢ to 1.5¢ and on tangible property from 50¢ to 15¢. House Bill 44 enacted by the 1979 extraordinary legislative session established new rate-setting mechanisms which limited the increase in aggregate revenues for all taxing districts. The state tax rate declined from 31.5¢ per $100 in 1978, to 27.9¢ per $100 in 1979, to 24.1¢ per $100 in 1980.

INHERITANCE AND ESTATE TAX - The inheritance tax began in Kentucky in 1906. It provided that all property of persons residing in the state, and property within the state of non-residents, shall be subject to a tax of $5.00 on each $100 of the fair cash value. The exemption was $500. In 1936 the inheritance tax law was rewritten with changes mainly in the legacy brackets and exemptions. Senate Bill 203, passed during the 1976 General Assembly, granted a $20,000 exemption to the surviving spouse, instead of $5,000 for a widower and $10,000 for a widow.

COMMONWEALTH OF KENTUCKY
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
FOR CALENDAR YEARS 1973-1982
(Expressed in Thousands Except Ratio Data)

Year	Real Property		Personal Property		Total		Ratio of Total Assessed to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1973	$18,390,080	$21,742,603	$25,510,717	$25,510,717	$ 43,900,797	$ 47,253,320	92.9%
1974	20,197,905	24,033,158	28,402,456	28,402,456	48,600,361	52,435,614	92.7%
1975	22,616,592	25,587,327	30,487,989	30,487,989	53,104,581	56,075,316	94.7%
1976	24,223,512	27,978,408	33,425,131	33,425,131	57,648,643	61,403,539	93.9%
1977	26,015,990	30,091,416	37,112,144	37,112,144	63,128,134	67,203,560	93.9%
1978	28,876,814	34,110,394	42,039,825	42,039,825	70,916,639	76,150,219	93.1%
1979	34,332,545	39,816,984	47,896,733	47,896,733	82,229,278	87,713,717	93.7%
1980	38,713,126	43,532,117	52,825,071	52,825,071	91,538,197	96,357,188	95.0%
1981	42,792,643	45,904,117	57,405,797	57,405,797	100,198,440	103,309,914	97.0%
1982	45,251,023	46,321,105	62,094,708	62,094,708	107,345,731	108,415,813	99.0%

NOTE: Assessed values are established through the utilization of an annual ad valorem tax based on the fair value of the property.

SOURCE: Revenue Cabinet

COMMONWEALTH OF KENTUCKY
PROPERTY TAX LEVIES AND COLLECTIONS
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands Except for Percentages)

For the Year Ended June 30	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
1974	$ 35,136	$ 33,421	95.1%	$ 837	$34,258	97.5%
1975	37,337	34,516	92.4%	714	35,230	94.4%
1976	38,946	36,310	93.2%	990	37,300	95.8%
1977	43,093	42,187	97.9%	1,226	43,413	100.7%
1978	158,631	146,114	92.1%	1,252	147,366	92.9%
1979	175,626	159,199	90.6%	2,106	161,305	91.9%
1980	189,778	174,026	91.7%	2,733	176,759	93.1%
1981	195,899	177,391	90.6%	2,720	180,111	91.9%
1982	208,547	192,699	92.4%	3,468	196,167	94.1%
1983	218,659	199,002	91.0%	4,338	203,340	93.0%

NOTE: Property taxes are assessed as of January 1 of each year in one of two ways: 1) By the 120 Property Valuation Administrators within the state, or 2) by the Revenue Cabinet. The tax rates are set by the various taxing jurisdictions and applied to the particular assessment. Tax bills are delivered by September 15 of each year.

SOURCE: Revenue Cabinet

COMMONWEALTH OF KENTUCKY
RATIO OF GENERAL LONG-TERM BONDED DEBT
TO ASSESSED VALUE AND DEBT PER CAPITA
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands Except Ratio and Per Capita Data)

For the Year Ended June 30	Population	Assessed Value	General Long-Term Bonded Debt	General Bonded Debt Ratio to Assessed Value	General Bonded Debt Per Capita
1975	3,469	$53,104,581	$1,208,807	2.3%	$348.00
1976	3,530	57,648,643	1,180,352	2.0%	334.00
1977	3,575	63,128,134	1,382,738	2.2%	387.00
1978	3,611	70,916,638	1,379,412	1.9%	382.00
1979	3,644	82,229,278	1,589,070	1.9%	436.00
1980	3,661	91,533,197	1,709,743	1.9%	467.00
1981	3,675	100,198,440	1,694,178	1.7%	461.00
1982	3,692	107,345,713	1,260,501	1.2%	341.00
1983	3,714	112,816,282	1,324,075	1.2%	357.00
1984	3,853	122,640,000	Est. 1,651,386	1.3%	429.00

NOTE: General long-term bonded debt outstanding decreased significantly between 1981 and 1982 due to the refinancing of $1,030,870 of Turnpike Authority Revenue Bonds with $582,985 of Refunding Bonds.

SOURCE: U. S. Department of Commerce, Populations Estimates and Projections, University of Louisville Urban Study Center Population Projections, Revenue Cabinet Annual Report.

COMMONWEALTH OF KENTUCKY
RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT
TO TOTAL GENERAL EXPENDITURES
ALL GOVERNMENTAL FUND TYPES
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands Except Ratio Data)

For the Year Ended June 30	Debt Service	Total Expenditures	Ratio
1975	41,039	2,116,561	1.94%
1976	35,612	2,346,789	1.52%
1977	85,231	2,579,026	3.30%
1978	49,752	2,970,616	1.67%
1979	98,596	3,422,616	2.88%
1980	92,548	3,913,108	2.37%
1981	96,773	4,055,862	2.39%
1982	115,950	3,823,932	3.03%
1983	146,886	3,957,913	3.71%
1984	212,362	4,698,256	4.52%

NOTE: In 1983 the fund structure for the Commonwealth changed and proprietary fund activity, which was included in general expenditures of previous years, was excluded. Expenditures prior to 1983 include the General Fund, Trust and Revolving Fund, Transportation Fund, Agency Fund and Federal Fund. Debt Service included General Obligation bonds, State Property and Building Commission revenue bonds, Turnpike Authority revenue bonds (principally resource recovery), and the School Building Authority revenue bonds (state portion only).

SOURCE: Commonwealth of Kentucky Financial Report.

COMMONWEALTH OF KENTUCKY
DEMOGRAPHIC STATISTICS
FOR THE LAST TEN CALENDAR YEARS

Year	Population	Per Capita Income	Unemployment Rate
1974	3,417,000	$4,515	4.5%
1975	3,469,000	4,788	7.3%
1976	3,530,000	5,263	5.6%
1977	3,575,000	5,797	4.7%
1978	3,611,000	6,389	5.2%
1979	3,644,000	7,119	5.6%
1980	3,661,000	7,648	8.0%
1981	3,675,000	8,567	8.4%
1982	3,692,000	8,934	10.6%
1983	3,714,000	9,162	11.7%

SOURCE: U. S. Department of Commerce, U. S. Bureau of Economic Analysis, Cabinet for Human Resources.

COMMONWEALTH OF KENTUCKY
CONSTRUCTION, AND BANK DEPOSITS
FOR THE LAST TEN CALENDAR YEARS
(Expressed in Thousands Except Number of Units)

	Non-Residential Construction		Residential Construction		
Year	Number of Units	Value	Number of Units	Value	Bank Deposits
1974	6,259	$152,775	10,611	$239,994	$ 9,090,000
1975	9,776	176,427	10,675	265,952	9,798,000
1976	11,410	271,885	13,402	337,884	10,614,000
1977	12,256	357,203	17,960	465,419	12,182,000
1978	12,286	328,290	16,112	468,966	13,607,000
1979	11,662	450,008	13,116	437,332	14,905,000
1980	10,780	484,653	10,360	351,415	16,030,000
1981	10,468	449,864	8,067	268,702	17,672,000
1982	9,429	349,975	7,397	244,062	18,902,000
1983	10,709	422,998	11,839	421,816	20,888,000

SOURCE: U. S. Bureau of Census, Federal Deposit Insurance Corporation.

COMMONWEALTH OF KENTUCKY
SOURCES OF PERSONAL INCOME
(Expressed in Thousands Except for Percentages)

Source	1980 Amount	1980 Percent	1981 Amount	1981 Percent	1982 Amount	1982 Percent
Farm	$ 922,000	4.4%	$1,222,000	5.5%	$1,065,000	4.5%
Agricultural Services, Forestry, Fishery, and Other	66,000	0.3%	73,000	0.3%	84,000	0.4%
Mining	1,647,000	7.9%	1,733,000	7.7%	1,817,000	7.8%
Manufacturing	5,379,000	25.7%	5,775,000	25.7%	5,534,000	23.7%
Contract Construction	1,208,000	5.8%	1,170,000	5.2%	1,178,000	5.0%
Wholesale and Retail Trade	3,065,000	14.6%	3,206,000	14.3%	3,667,000	15.7%
Finance, Insurance, and Real Estate	864,000	4.1%	884,000	3.9%	951,000	4.1%
Transportation, Communications, and Public Utilities	1,631,000	7.8%	1,739,000	7.8%	1,794,000	7.7%
Services	2,797,000	13.3%	3,034,000	13.5%	3,325,000	14.2%
Government	3,378,000	16.1%	3,620,000	16.1%	3,959,000	16.9%

SOURCE: U. S. Bureau of Economic Analysis, Kentucky Economic Information System.

COMMONWEALTH OF KENTUCKY
FIFTY LARGEST MANUFACTURERS
(Ranked by Number of Employees - 800 or More)
1983

Company	Number of Plants	Number of Employees	Company	Number of Plants	Number of Employees
General Electric Company	9	20,143	Martin Marietta Corporation	4	1,248
Northwest Industries, Inc.	4	6,762	The Square D Company, Lexington	1	1,240
International Business Machines, Lex.	1	6,200	National Steel Corp. & Southwire Co.	3	1,203
Ford Motor Company	2	5,783	Lorrillard, A Division of Loew's Theaters Inc., Louisville	1	1,200
ARMCO Incorporated	6	4,623	Johnson Controls	3	1,160
Philip Morris, Inc.	2	4,595	Jockey International Incorporated	4	1,141
Naval Ordnance Station, Louisville	1	2,500	Rockwell International Corporation	3	1,133
Interco Incorporated	10	2,398	Corning Glass Works	4	1,131
Emerson Electric Company	6	2,338	Ashland Oil Incorporated	2	1,111
Palm Beach, Inc.	6	2,327	The Anaconda Co. & Atlantic Richfield	5	1,105
Colt Industries	2	2,212	American Greetings Corporation, Corbin	1	1,050
B. F. Goodrich Company	4	1,864	Louisville Bedding Company	2	1,035
Marlene Industries	2	1,804	Duro Paper Company	2	1,005
Chessie System, Russell	1	1,800	Trane Company, Lexington	1	908
Eaton Corporation	5	1,720	International Harvester Co., Louisville	1	900
U. S. Shoe Corporation	4	1,674	Rand McNally & Company	2	895
American Standard Incorporated	4	1,648	Arco Metals Company	2	880
Hoover Universal, Incorporated	7	1,638	Sutton Shirt Corporation	3	857
Brown-Forman Distillers Corporation	3	1,610	Colgate-Palmolive Company	2	846
General Tire & Rubber Co., Mayfield	1	1,584	Leggett & Platt Incorporated	3	844
Courier Journal & Louisville Times, Louisville	1	1,396	Porter Paint Company, Louisville	1	830
Reynolds Metal Company	4	1,389	Genesco Incorporated	3	828
General Motors Corporation, GMAD Bowling Green	1	1,375	Armour & Company	3	818
Union Carbide, Nuclear Div., Paducah	1	1,374			
Henry Vogt Machine Company, Louisville	1	1,360			
GTE Products Corporation	6	1,311			
E. I. DuPont de Nemours & Company	2	1,280			

SOURCE: 1984 Kentucky Directory of Manufacturers publisned by the Department of Economic Development.

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